

Market Consultation 65

One Page Note



Changes in regulatory documents



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) adjusting the fuel invoice model towards Energy in Cash, (ii) introducing a cash deposit as an option for collateral, (iii) the communication of maximum allowed GIS-exceeding.

The consultation starts on September 6th, 2023 and ends on September 26th, 2023 close of business.

i. Energy in Cash

Today, Fluxys Belgium uses a Gas in Kind mechanism. With this mechanism, the storage operator holds off a certain percentage of the injected / emitted gas from the storage user in order to fuel the compressors/heaters at the storage facility. However, in a continuous effort to further reduce the emissions of its installations, Fluxys Belgium is planning to convert its gas compressors to electric compressors at the storage facility. Consequently, the storage operator becomes increasingly dependent and exposed to the electricity market. As a result – with the Gas in Kind mechanism –, demanding gas from the storage users is becoming less relevant and would make the fuel calculations overly complex.

Hence, Fluxys Belgium proposes to introduce a straightforward and transparent Energy in Cash system for its storage activities, in line with the mechanism used for its transmission activities. It entails a lump-sum percentage (published on the tariff sheet) that will be applied on the daily injection/withdrawal allocations of a storage user, multiplied by the daily ZTP gas price. This is the amount that will finally be invoiced to the storage user on a monthly basis.

ii. Introducing a cash deposit as an option for collateral

Fluxys Belgium proposes to add further flexibility to its requirements regarding creditworthiness by providing alternatives to storage users who can't obtain a bank guarantee. Those storage users will be allowed to submit a collateral in the form of a cash deposit, a gas pledge, or even a combination of both.

iii. Communication of maximum allowed GIS-exceeding

Knowing that the maximum storage volume in the underground storage facility of Loenhout depends on physical conditions that vary over time, it is difficult to estimate how much exceeding Fluxys Belgium can allow to the storage users. Therefore, Fluxys Belgium proposes to share and update annually the maximum allowed exceeding level on the commercial website of the storage operator.