



Storage consultation 65 Consultation Report



October 2023

1 Introduction

From 06 September to 26 September 2023 included, Fluxys Belgium consulted the market on its proposed changes in the regulatory documents and on new storage tariffs for the period 2024 - 2027.

The proposed modifications in the regulatory documents aim at:

- i. introducing a cash deposit as an option for collateral
- ii. adapting the communication of GIS-exceeding
- iii. adjusting the fuel invoice model towards Energy in Cash

2 Consultation process

Fluxys Belgium launched this market consultation by publishing the proposed documents on its website - at the usual location for such consultations, supported by an announcement on its homepage -, via direct e-mailing to all registered market participants and associations. During the period from 06 September to 26 September 2023 (included), stakeholders were invited to submit their written feedback and if needed, seek additional information through bilateral contacts with Fluxys Belgium.

Taking into account the different comments received, Fluxys Belgium submits for approval to the CREG, the so amended version of the SSA, SP and ACS, as well as the storage tariff proposal for the period 2024 - 2027.

3 Outcome of consultation process

All comments received are listed and individually treated in the "Q&A's", included in the consultation report submitted to the CREG – see appendices.

Introducing a cash deposit as an option for collateral

One party responded that many companies, located outside of Europe, face difficulties and delays in obtaining bank guarantees for businesses situated in Europe. Furthermore they stated that bank guarantees may not be the most suitable option, considering the dynamism of the markets and the speed at which opportunities arise. This party hence welcomed the introduction of a cash deposit as an option for collateral. Fluxys Belgium would like to remind that parties should first strive to get a bank guarantee. If this option is not possible, cash deposit and gas pledge can be considered. In the latter case, the setup would be to start with a cash collateral, switch to a gas pledge and revert to a cash collateral once the gas in storage is no longer sufficient to cover the creditworthiness obligation.

Adapting the communication of GIS-exceeding

Respondents generally speaking welcomed the proposal to communicate the maximum GIS-exceeding level on the commercial website of the storage operator. Fluxys Belgium would like to stress, however, that the maximum allowed GIS-exceeding could change during the storage year, based on underground simulations realized by Fluxys Belgium.

Two parties regret that it is not specified when the publication will take place, nor whether a published GIS-exceeding value can change during the same Storage Year, nor - if that is the case - when the final value will be published. Consequently, Fluxys Belgium proposes to (i) first define and communicate the maximum allowed GIS-exceeding at the start of the storage year, and (ii) to only modify the maximum allowed GIS-exceeding during a storage year in case of an increase in value.

Adjusting the fuel invoice model towards Energy in Cash

One market participant appreciates the proposal of Fluxys Belgium to introduce a straightforward and transparent Energy in Cash system. However, in their opinion the cost of injection/withdrawal should be defined as a fixed fee that is published ahead of the capacity auctions. Fluxys Belgium would like to remind that it is impossible to forecast precisely the use of its storage installation before the sale of storage capacities. Making it impossible to define a fixed fee.

Two other respondents suggest that Fluxys Belgium introduces a similar settlement mechanism as with the current Gas in Kind mechanism to recover the difference between the actual operational costs and the Energy in Cash fee that was paid by Storage Users. Fluxys Belgium wants to emphasize that Energy in Cash will cover gas and electricity consumption and also the CO₂ emissions generated by the injection and withdrawal activities. This will change the cost profile compared to the situation that prevailed when own consumptions were covered by gas in kind only. Fluxys Belgium will monitor the evolution of the coverage of own consumptions by the Energy in Cash process and review the value of the commodity element for injection and withdrawal if needed. Any difference between energy in cash revenues and own consumption costs will be transferred to the regularization account.

The same respondents would appreciate that the precisions on the way the commodity fee can change during the storage year will be integrated in the Access Code of Storage to have a clear framework. Taking into account the reaction of the market, Fluxys Belgium will organize a market consultation each time a commodity element needs to be changed.

Three market participants would like the definition of "Commodity Price Index of this Day" to be clarified. Fluxys Belgium would like to remind that the Commodity Price Index will be the ZTP European Gas Spot Index of the related gas day as published by EEX. Fluxys Belgium will also adapt the definition to indicate that the Commodity Price Index could be an index related to gas or electricity.

Two other respondents suggested to extend the lead time of any change in the Commodity Price Index and to limit the number of changes to one per year. Fluxys Belgium suggests to extend the lead time of any change to the Commodity Price Index to three (3) months and to limit the number of changes to two (2) per storage year.

Storage tariffs 2024 – 2027

Two respondents would appreciate to have the source of the inflation value used for calculating the storage tariffs. Fluxys Belgium would like to mention that the inflation used for the tariffs is the inflation (consumer price index) for 2023 of 3,9% as stated by the Federal Plan Bureau.

The same respondents stress that the tariff methodology for storage does not stipulate that the storage regulatory account can be used to finance investments, and therefore requests that this investment be integrated to the RAB to stay in line with the storage tariff methodology principles. Fluxys Belgium proposes to use part of the regularization account accumulated at the end of the tariff period 2020-2023 to finance part of the investment in the compressors, which is allowed according to article 34 of the tariff methodology for the period 2020-2023.

Both respondents would appreciate having more information on the cost of the investment in the new compressors. As mentioned in the tariff methodology, Fluxys Belgium would like to remind that investments are made under the supervision of CREG that will ensure that these investments are the most efficient possible.

Finally, the same respondents believe that historical/current Storage Users should not bear Fluxys' future commercial risks, and that any over/under revenue recovery should be compensated in the future tariffs as soon as it is reasonably possible. As a result, they request a total settlement of the storage regulatory account by the end of the next tariff period, i.e. 2027. Fluxys Belgium would like to emphasize that the €20 million at the end of 2027 on the regularization account are intended to cover the commercial risk during the 2024-2027 tariff period and thus also the stability of the tariffs on this period. Without a buffer any difference between the sales hypotheses made by Fluxys Belgium and the realized sales would directly impact the long-term storage users as the tariff methodology indicates that a negative regularization account will trigger an automatic correction of the tariffs. This is a situation that Fluxys Belgium, as a reasonable and prudent operator, wants to prevent. However, Fluxys Belgium proposes to reduce this buffer by 25% by decreasing the regulated tariffs, and to hence target a regulatory account of ca €15 million at the end of the tariff period.

4 Appendices

4.1 E-mail invite for consultation

Fluxys Belgium - Market Consultation 65 - Changes in the Regulated Documents and Storage Tariffs

In a continuous effort to further improve its service offering, Fluxys Belgium is proposing adjustments to its storage services and storage tariffs with a focus on:

- Adjusting the fuel invoice model towards **Energy in Cash**,
- Introducing a **cash deposit** as a last-resort option for collateral,
- The communication of the **maximum allowed GIS-exceeding**,
- **Storage tariffs for the 2024-2027 period**. Fluxys Belgium expects tariff levels for storage for 2024-2027 to remain in line with the current tariffs. These new tariffs are determined based on the following key assumptions:
 - Operating costs in line with the previous regulatory period,
 - Investment in new electrical motors for five compressors in order to reduce emissions of the installation and to comply with environmental regulation,
 - All still available SBU capacity sold at a price in line with the relevant summer-winter spread.

The following document summarizes the proposed changes: [Summary note](#)



Through this market consultation that will take place from 6 September to 26 September 2023, Fluxys Belgium is proposing adjustments to its regulatory documents for storage and its storage tariffs.

Documents in consultation (with track changes):

- [Standard Storage Agreement](#)
- [Standard Storage Agreement - Attachment 3](#)
- [Storage Program](#)
- [Access Code for Storage - Attachment B](#)
- [Access Code for Storage - Attachment D1](#)
- [Access Code for Storage - Attachment H1](#)
- [Storage Tariffs 2024 - 2027 - Consultation Document](#)
- [Storage Tariffs 2024 - 2027 - Annex A](#)

You are kindly invited to send your written comments to marketing@fluxys.com by Tuesday, September 26th 2023 close of business.

4.2 List of documents in consultation

The documents are available on our website (see 4.1): <https://www.fluxys.com/en/natural-gas-and-biomethane/empowering-you/customer-interactions/consultations-in-belgium---storage/fluxys-belgium-market-consultation-65>

4.3 Questions and answers - Public

Questions and Answers				
From	Topic	Confidential	Questions / Comments by Stakeholders	Answers / Comments by Fluxys Belgium
ENGIE & Febeg	SSA - reference to Code of Conduct	No	The reference to Article 138 of the Code of Conduct on page 13 of Attachment 2 of the SSA is not correct as it doesn't refer to storage emergencies. This reference should be corrected.	The notion of 'Storage Emergency' is already defined in attachment 3 of the SSA, as a part of the definition of an 'Emergency'. The goal of the change is to refer to the empowerment given by article 138 to the Storage Operator to take measures to safeguard the integrity of the storage installation.
Cobblestone Energy DMCC	SSA - cash deposit	No	We believe that many companies like ours, located outside of Europe, face difficulties and delays in obtaining bank guarantees for businesses situated in Europe. Bank guarantees may not be the most suitable option, considering the dynamism of the markets and the speed at which opportunities arise. Furthermore, the existing option of a gas pledge aligns perfectly with the cash deposit in a configuration that could be: the cash deposit remains effective in the initial months of the contract, and when a portion of the volume is finally injected, the shipper can opt for the gas pledge, withdrawing the previously deposited cash deposit.	Fluxys Belgium would like to remind that the cash deposit and gas pledge are last resort options and that storage users should first strive to get a bank guarantee. Please note that in the configuration you present, the gas pledge should be replaced by a cash collateral once your amount of gas in storage is no longer sufficient to cover your creditworthiness obligation. The setup would thus be cash collateral then gas pledge then cash collateral.
ENGIE & Febeg	Energy in Cash	No	Both respondents state that Fluxys applies a correction to each storage user's GIS every month on the first day to reconcile the Gas in Kind with the actual consumption of its gas compressors. Starting S124, when the gas in Kind will be replaced by an Energy in Cash fee, no such mechanism is envisaged in the consultation documents. They suggest that Fluxys introduces a similar settlement mechanism to recover the difference between the actual operational costs and the Energy in Cash fee that was paid by Storage Users. Such a mechanism is all the more necessary as they observe that the current Commodity Elements (i.e. 1% for Injection and 0.5% for Withdrawal) can be overestimated by two times, and that Storage Users GIS is corrected by 0.5% of their injection allocations and 0.25% of their withdrawal allocations in average.	Energy in Cash will cover gas and electricity consumption and also the CO2 emissions generated by the injection and withdrawal activities. This will change the cost profile compared to the situation that prevailed when own consumptions were covered by gas in kind only. Fluxys Belgium will monitor the evolution of the coverage of own consumptions by the Energy in Cash process and review the value of the commodity element for injection and withdrawal if needed. Any difference between energy in cash revenues and own consumption costs will be transferred to the regularization account.
ENGIE & Febeg	Energy in Cash	No	Both respondent note that Fluxys gives an indication to the levels of the Commodity Elements for Storage Year 2024, and precises that if they change these levels by more than ±0.25%, the change will be submitted to CREG on the basis of this consultation. First, seeing as the document starts with a disclaimer stating that all the figures given in the document are indicative best estimates subject to future changes or corrections, it is hard to have an opinion on these propositions. Also, the document does not precise what would happen if the changes in the percentages are different by more than 0.25% compared to the proposed levels. They would appreciate that these precisions be integrated in the Access Code of Storage to have a clear framework.	The goal of this approach was to enable Fluxys Belgium to quickly react should a change to the commodity elements for injection or withdrawal be needed. If the change would have been lower than 0.25%, Fluxys Belgium would have submitted an amended tariff proposal to CREG specifying the change to the commodity elements based on consultation 65. Any change of more than 0.25% would have requested a new market consultation before submitting the amended tariff proposal. Taking into account the reaction of the market, Fluxys Belgium will organize a market consultation each time a commodity element needs to be changed.
ENGIE & Febeg	Commodity index	No	Both respondents note that the definition of the Commodity Price Index doesn't refer to the possible type of the commodity, nor to the reference Hub. They assume that this definition was left vague to allow Fluxys to switch from a ZTP Spot Gas Index to a ZTP Spot Electricity Index when its gas compressors will be replaced by electrical compressors. They suggest in this case to add "The Commodity Price Index can mean either the ZTP Spot Gas Index or Belgian Spot Electricity Index"	That is correct, the Commodity Price Index will be the ZTP European Gas Spot Index of EEX but could evolve in the future after the electrification of the compressors. Fluxys Belgium will adapt the definition to indicate that the Commodity Price Index could be an index related to gas or electricity.
ENGIE & Febeg	Commodity index	No	Both respondents note that the lead time of one month to changing the Commodity Price Index seems low. They suggest to extend the lead time of any change in the Commodity Price Index and to limit the number of changes to one per year tops.	Fluxys Belgium suggests to extend the lead time of any change to the Commodity Price Index to three (3) months and to limit the number of changes to two (2) per storage year.

ENGIE & Febeg	Maximum allowed GIS-exceeding	No	<p>Both respondents are happy to see that the GIS exceeding level will be explicitly communicated on Fluxys' website.</p> <p>However, they regret that it is not specified when the publication will take place, nor whether a published GIS-exceeding value can change during the same Storage Year, nor - if that is the case - when the final value will be published.</p> <p>They stress that changing the GIS exceeding level may compel Storage Users to undo committed market operations, which can be costly.</p>	<p>An initial maximum allowed GIS-exceeding will be published at the start of the storage year. This maximum allowed GIS-exceeding can be reviewed during the storage year based on underground simulations realized by Fluxys Belgium. However, any change during the storage year can consist in an increase of the maximum allowed GIS-exceeding.</p>
ENGIE & Febeg	Tariffs 2024 - inflation	No	<p>Both respondents note that the storage tariffs for 2024 are higher by 3.8% compared to the storage tariffs for 2023. And assume that the inflation value that was used was equal to 3.8%. They would appreciate to have the source of the inflation value.</p>	<p>The inflation used for the tariffs is the inflation (consumer price index) for 2023 of 3.9% as stated by the Federal Plan Bureau in its publication of 15 June 2023 : "<i>Perspectives économiques 2023-2026 - Version de juin 2023</i>".</p>
ENGIE & Febeg	Tariff 2024 - Compressors	No	<p>Both respondents indicate that Fluxys announces its intention to finance part of the investment to replace the gas compressors by electrical ones with the regulatory account. They stress that the tariff methodology for storage does not stipulate that the storage regulatory account can be used to finance investments, and therefore requests that this investment be integrated to the RAB to stay in line with the storage tariff methodology principles.</p>	<p>Fluxys Belgium proposes to use part of the regularization account accumulated at the end of the tariff period 2020-2023 to finance part of the investment in the compressors, which is allowed according to article 34 of the tariff methodology for the period 2020-2023.</p>
ENGIE & Febeg	Tariff 2024 - Compressors	No	<p>Both respondents would appreciate having more information on the cost of the investment in the new compressors.</p>	<p>As mentioned in article 2852 of the tariff methodology, investments are made under the supervision of CREG that will ensure that these investments are the most efficient possible.</p>
ENGIE & Febeg	Tariff 2024 - regularization account	No	<p>Both respondents indicate that Fluxys Belgium foresees to maintain a regulatory account of around 120 million at the end of 2027, to cover commercial risks. They believe that past/current Storage Users should not bear Fluxys' future commercial risks, and that any overfunder revenue recovery should be compensated in the future tariffs as soon as it is reasonably possible. They state that the regulatory account of a regulated asset should by definition aim to be at zero at the end of each year. They request a total settlement of the storage regulatory account by the end of the next tariff period, i.e. 2027.</p>	<p>The EUR20 millions at the end of 2027 on the regularization account are intended to cover the commercial risk during the 2024-2027 tariff period and thus also the stability of the tariffs on this period. Without a buffer any difference between the sales hypotheses made by Fluxys Belgium and the realized sales would directly impact the long-term storage users as the tariff methodology indicates that a negative regularization account will trigger an automatic correction of the tariffs. This is a situation that Fluxys Belgium, as a reasonable and prudent operator, wants to prevent.</p> <p>However, Fluxys Belgium proposes to reduce this buffer by 25% and to target a regulatory account of ca EUR15 millions at the end of the tariff period.</p>

4.4 Copy of written comments - Public

All reactions			
Company	First Name	Last Name	Confidential
Cobblestone	Luca	Pitscheider	NO
Engie	Nasma	Sahbani	NO
Febeg	Luc	Huysmans	NO

Dear all, dear Antoine,

I trust my email finds you well.

We want to participate in the consultation and lend our support, particularly regarding the cash deposit aspect.

We believe that many companies like ours, located outside of Europe, face difficulties and delays in obtaining bank guarantees for businesses situated in Europe. Bank guarantees may not be the most suitable option, considering the dynamism of the markets and the speed at which opportunities arise.

Furthermore, the existing option of a gas pledge aligns perfectly with the cash deposit in a configuration that could be: the cash deposit remains effective in the initial months of the contract, and when a portion of the volume is finally injected, the shipper can opt for the gas pledge, withdrawing the previously deposited cash deposit.

Kind regards,

Luca Pitscheider

Lead Gas Trader

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ENGIE's comments on Fluxys' Consultation n°65

GIS Exceeding

ENGIE is happy to see that the GIS exceeding level will be explicitly communicated on Fluxys' website. However, it is not specified when the publication will take place, nor whether a published GIS-exceeding value can change during the same Storage Year, nor - if that is the case - when the final value will be published. In fact, changing the GIS exceeding level may compel Storage Users to undo committed market operations, which can be costly.

Energy in Cash

The definition of the Commodity Price Index is unclear : it doesn't refer to the possible type of the commodity, nor to the reference Hub. We assume that this definition was left vague to allow Fluxys to switch from a ZTP Spot Gas index to a ZTP Spot Electricity index when its gas compressors will be replaced by electrical compressors. We suggest in this case to add « The Commodity Price Index can mean either the ZTP Spot Gas index or a ZTP Spot Electricity index ».

The lead time of one month to changing the Commodity Price Index seems low. We suggest to extend the lead time of any change in the Commodity Price Index and to limit the number of changes to one per year tops.

Fluxys applies a correction to each storage user's GIS every month on the first day to reconcile the Gas in Kind with the actual consumption of its gas compressors. Starting SY24, when the gas in Kind will be replaced by an Energy in Cash fee, no such mechanism is envisaged in the consultation documents. We suggest that Fluxys introduces a similar settlement mechanism to recover the difference between the actual operational costs and the Energy in Cash fee that was paid by Storage Users. Such a mechanism is all the more necessary as we observe that the current Commodity Elements (i.e. 1% for Injection and 0.5% for Withdrawal) can be overestimated by two times, and that Storage Users GIS is corrected by 0.5% of their injection allocations and 0.25% of their withdrawal allocations in average.

Tariff proposal 24-27

In this document, Fluxys announces its intention to finance part of the investment to replace the gas compressors by electrical ones with the regulatory account. ENGIE would like to stress that the tariff methodology for storage does not stipulate that the storage regulatory account can be used to finance investments, and therefore requests that this investment be integrated to the RAB to stay in line with the storage tariff methodology principles. Finally, we would appreciate having more information on the cost of the investment.

Moreover, Fluxys Belgium foresees to maintain a regulatory account of around €20 million at the end of 2027, to cover commercial risks. We believe that past/current Storage Users should not bear Fluxys' future commercial risks, and that any over/under revenue recovery shall be compensated in the future tariffs as soon as it is reasonably possible. In fact, the regulatory account of a regulated asset should by definition aim to be

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at zero at the end of each year. We hereby request a total settlement of the storage regulatory account by the end of the next tariff period, i.e. 2027.

Fluxys gives an indication to the levels of the Commodity Elements for Storage Year 2024, and precises that if they change these levels by more than $\pm 0.25\%$, the change will be submitted to CREG on the basis of this consultation. First, seeing as this document starts with a disclaimer stating that all the figures given in this document are indicative best estimates subject to future changes or corrections, it is hard to have an opinion on these propositions. Also, the document does not precise what would happen if the changes in the percentages are different by more than 0.25% compared to the proposed levels. We would appreciate that these precisions be integrated in the Access Code of Storage to have a clear framework.

Tariffs 2024

«Fluxys Belgium will propose 2024-2027 tariffs that remain in line with the 2020-2023 tariffs. Only inflation will be applied »

The storage tariffs for 2024 are higher by 3.8% compared to the storage tariffs for 2023. We assume that the inflation value that was used was equal to 3.8%. We would appreciate to have the source of the inflation value.

Articles of the Code of Conduct *(p13 of Attachment 2 of the SSA)*

The Article 138 in the Code of Conduct does not refer to Storage Emergencies. We suggest this reference is amended to refer to the correct document/article.

Subject:	FEBEG reaction to Market Consultation 65 – Changes in the Regulated Documents and Storage Tariffs
Date:	26 September 2023
Contact:	Luc Huysmans
Telephone:	+32 496 59 54 15
Mail:	Luc.huysmans@febeg.be



Introduction

FEBEG thanks Fluxys for the opportunity to react to Market Consultation 65: changes in the regulated documents and storage tariffs,

This consultation focuses on adjusting the fuel invoice model towards Energy in Cash, introducing a cash deposit as a last-resort option for collateral, the communication of the maximum allowed GIS-exceeding, and the storage tariffs for the 2024–2027 period.

The deadline for this consultation is 26 September 2023, EOB.

The remarks and suggestions of FEBEG are not confidential.

Remarks on the content

Energy in Cash:

A) The definition of the Commodity Price Index is unclear.

Attachment 3, definitions 42–43:

~~(41)~~(42) **Commodity Element:** shall mean a percentage specified in the Regulated Tariffs to be ~~withheld~~applied on a monthly basis by the Storage Operator on certain Storage Services ~~from of~~ the Storage User ~~as specified in the Regulated Tariffs and according to attachment D1 of the ACS and which will be used to calculate for the purpose of calculating the GIKEIC in accordance with attachment B of the ACS.~~

(43) **Commodity Price Index:** shall mean the price reference expressed in €/MWh and used by the Storage Operator to compute the Energy in Cash Fee. The currently applicable price reference will be published by the Storage Operator on its website, together with a list of previously used references with their associated validity period. Such applicable price reference can change over time, subject to a notification by Storage Operator to the market with pre-notice period of at least one (1) Month.

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Attachment B §3. Monthly Energy in cash fee:

3 COMMODITY ELEMENT MONTHLY ENERGY IN CASH FEE

The Monthly Energy in Cash Fee is intended to cover Storage Operator's Own Consumption and CO₂ emission costs.

The Monthly Energy in Cash Fee is the sum of the daily Energy in Cash Fees of all Days of the considered Month.

The daily Energy in Cash Fee equals the sum over each hour of this Day of:

- for Injection:
 - Storage User's hourly Forward Allocation Injection,
 - multiplied by the Commodity Element for Injection as specified in the Regulated Tariffs,
 - multiplied by- the Commodity Price Index for this Day,
- for Withdrawal:
 - Storage User's hourly Forward Allocations Withdrawal,
 - multiplied by the Commodity Element for Withdrawal as specified in the Regulated Tariffs,
 - multiplied by -the Commodity Price Index for this Day.

The definition of the Commodity Price Index doesn't refer to the possible type of the commodity, nor to the reference Hub. We assume that this definition was left vague to allow Fluxys to switch from a ZTP Spot Gas index to a ZTP Spot Electricity index when its gas compressors will be replaced by electrical compressors. FEBEG suggests in this case to add "The Commodity Price Index can mean either the ZTP Spot Gas index or Belgian Spot Electricity index".

B) The lead time of one month to changing the Commodity Price Index seems low. We suggest to extend the lead time of any change in the Commodity Price Index and to limit the number of changes to one per year tops.

C) Fluxys applies a correction to each storage user's GIS every month on the first day to reconcile the Gas in Kind with the actual consumption of its gas compressors. Starting SY24, when the gas in Kind will be replaced by an Energy in Cash fee, no such mechanism is envisaged in the consultation documents. FEBEG suggest that Fluxys introduces a mechanism to recover the difference between the actual operational costs and the paid Energy in Cash fee. Such a mechanism is all the more necessary as we observe that the

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current Commodity Elements (i.e. 1% for Injection and 0.5% for Withdrawal) can be overestimated up to two times, and that Storage Users GIS is corrected by 0.5% of their injection allocations and 0.25% of their withdrawal allocations.

GIS exceeding:

FEBEG is pleased to see that the GIS exceeding level will be explicitly communicated on Fluxys' website. However, it is not specified (cf. Storage Program §3.3.2) when the publication will take place, nor whether a published GIS-exceeding value can change during the same Storage Year, nor – if that is the case – when the final value is published. In fact, changing the GIS exceeding level may compel Storage Users to undo committed market operations, which can be costly.

Tariff proposal 2024–27 :

a) Fluxys announces its intention to finance part of the investment to replace the gas compressors by electrical ones with the regulatory account. We would like to stress that the tariff methodology for storage does not stipulate that the storage regulatory account can be used to finance investments, and therefore requests that this investment be integrated to the RAB to stay in line with the storage tariff methodology principles. Febeg would also appreciate to have more elements on the cost of this investment.

b), Fluxys Belgium foresees to maintain a regulatory account of around €20 million at the end of 2027, to cover commercial risks. We believe that past/current Storage Users should not bear Fluxys' future commercial risks, and that any over/under revenue recovery shall be compensated in the future tariffs as soon as it is reasonably possible. In fact, the regulatory account of a regulated asset should by definition aim to be at zero at the end of each year. We hereby request a total settlement of the storage regulatory account by the end of the next tariff period, i.e. 2027.

c) Fluxys gives an indication to the levels of the Commodity Elements (percentages) for Storage Year 2024, and precises that if they change these levels by more than $\pm 0.25\%$, the change will be submitted to CREC on the basis of this consultation. First, seeing as this document starts with a disclaimer stating that all the figures given in this document are indicative best estimates subject to future changes or corrections, it is hard to have an opinion on these propositions. Also, the document does not precise what would happen if the changes in the percentages are different by more than 0.25% compared to the proposed levels. We would appreciate that these precisions be integrated in the Access Code of Storage to have a clear framework.

Tariffs 2024 :

“Fluxys Belgium will propose 2024–2027 tariffs that remain in line with the 2020–2023 tariffs. Only inflation will be applied »

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The storage tariffs for 2024 are higher by 3.8% compared to the storage tariffs for 2023. We assume that the inflation value that was used was equal to 3.8%. FEBEG would appreciate to have the source of the inflation value.

Changes related to the new version of the Code of Conduct:

Cf. Standard Storage Agreement 12.1.b) Storage Emergency :

The Article 138 in the Code of Conduct, which replaced article 144 in the older version, does not refer to Storage Emergencies.

