



CONSULTATION ON COST BENEFIT ANALYSIS ON BALANCING DATA INFORMATION PROVISION

10 December 2018

Context

Article 38 of the Commission Regulation (EU) No 213/2014 of 26 March 2014 establishing a Network Code on Gas Balancing of Transmission Networks (BAL NC) requires Transmission System Operators (TSOs) to perform a Cost Benefit Analysis of their Balancing Data Information provision. More specifically, the article requires TSOs to assess the costs and benefits of

- a) Increasing the frequency of information provision to network users;
- b) Reducing the related timelines of information provision;
- c) Improving the accuracy of the information provided.

the cost benefits analysis must also specify the breakdown of costs and benefits among the categories of affected parties.

Consultation

In this consultation Fluxys Belgium gives an overview of its balancing system and presents its data information Provision system. This overview of the situation leads Fluxys Belgium to the conclusion that in its view, no changes are required to the Data Information Provision system.

However, Fluxys Belgium would like to hear from Market Participants whether they share this conclusion or if they identified areas of improvement in the Data Information Provision system. In such case, Fluxys Belgium would be interested to know what benefits and costs would arise from these improvements.

We kindly invite you to send your written answers to the questions listed on page 4 to marketing@fluxys.com by 9 January 2019 (close of business).

Gas Balancing System in the BeLux zones and information provided to the network users

BeLux applies Daily Market-Based Balancing with hourly information and Within-Day Obligations.

During the gas day, as long as the market balancing position (aggregate of all the grid users' positions) remains within the predefined upper and lower market thresholds, there is no intervention by the balancing operator. All grid users receive on hourly basis information on the market balancing position and on their own balancing position together with forecasting data for the remaining hours of the day. In case the market balancing position goes beyond the upper (or lower) market threshold, the balancing operator instantly settles grid users proportionally in respect of their balancing position.

The balancing operator initiates a sale (or purchase) transaction on the commodity market for the quantity of the market excess (or shortfall) and settles in cash that quantity with the grid user(s) contributing to such imbalance in proportion of their individual contribution. This transaction, once concluded, will set the reference price used at that time for refunding or charging shippers who caused the market excess or shortfall hence reflecting the market value for that residual natural gas at that time.

All grid users and the market position are settled to zero at the end of each gas day.

Data provision to market participants

BeLux implemented the variant 1 option for information provision, meaning that information on non-daily metered and daily metered offtakes is based on apportionment of measured flows during the gas day.

Following information for gas day D is communicated hourly (full hour + 35 min) to all market participants through 2 communication channels : XML files sent to the market participants and publication on the online data platform

- Global Market Balancing Position : actual data and forecast until the end of the day - 24 values, one per gas hour;
- Shipper Balancing Position : actual data and forecast until the end of the day - 24 values, one per gas hour;
- Market Settlements : actual data + forecast of potential settlements until end of the day;
- Shipper Settlements : actual data + forecast of potential settlements until end of the day;
- Upper and lower threshold value.

As from 3 pm on gas day D, this information is also communicated for gas day D+1.

With this data, shippers have all information to know when Fluxys Belgium will enter the market to perform balancing actions. Market participants can thus really steer the Market Balancing Position. This translates in low balancing costs.

Fluxys Belgium analysis of the Data Information Provision system applicable in BeLux

The current implementation of the provisions of the network code on balancing regarding information provision (frequency and timeline) places Belgium among the best systems in Europe. Furthermore, as indicated in the report about Forecasting Accuracy published jointly with this consultation, forecasts in Belgium are reliable. Therefore, Fluxys Belgium proposes to keep its systems in the current state and does not suggest any additional developments relating to the provision of information.

Market Participant point of view

Market Participant information

Company	
Representative	

Do you share Fluxys Belgium analysis of the Data Information Provision system applicable in BeLux?

Yes No

If no, could you detail the enhancements that should according to you be brought to the BeLux system?

What benefits (qualitative and quantitative - in €/year) related to these enhancements do you anticipate?

Would you be ready to pay for these enhancements?

Yes No

Would these enhancements require expenses on your side ?

Yes No

What would be the level of these expenses (in €/year)?

Please send your responses to marketing@fluxys.com by 9 January 2019 (close of business).