

Market Consultation 43



Welcome to our online information session

May 18th 2020

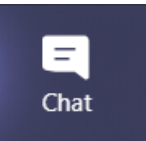


Please keep your microphone muted

Welcome and way of working



- Please keep your microphone muted
- Questions can be asked in written via the chat and will be addressed at the end of the session
- Slides will be shared after the info session on the webpage of the consultation
- For further questions after this info session, reach out to our Key Account Managers



Today's speakers

- Hany Aouad, **Sales Manager**



- Ilse Guedens, **Marketing Manager**



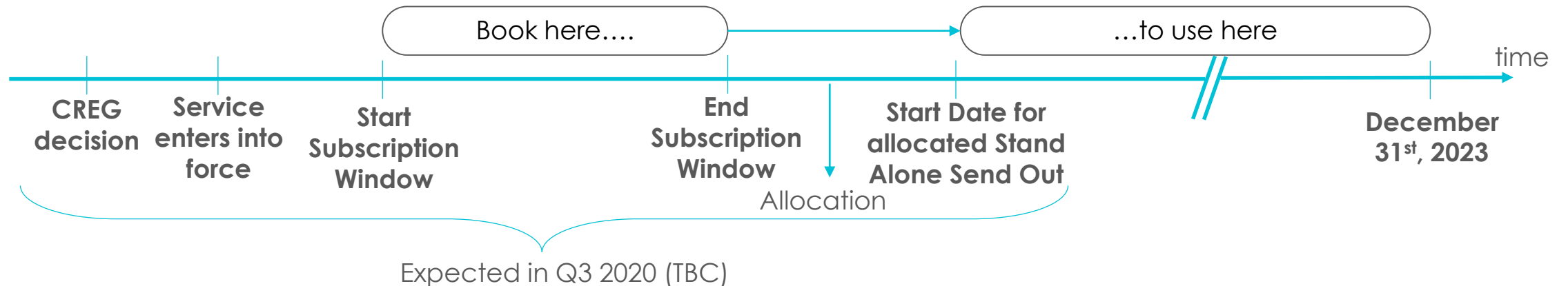
Agenda

- Welcome and way of working
- **Introducing LNG Stand Alone Send Out service (firm)**
- Reframing Small Scale Berthing Right into Stand Alone Berthing Right
- Overview of the suggested changes to the regulated documents for consultation
- Timeline and how to share comments
- NEW @ Fluxys LNG



Introducing LNG Stand Alone Send Out service (firm)

- **Available capacity:** 2.870 MWh/h until December 31st 2023. Fluxys LNG is currently considering organizing a Call for Market Interest to increase the available capacity in the future
- **Tariff (May'20):** 1,5232 €/kWh/h/y* ~ 0,174 €/MWh, aligned on tariff for Additional Send Out
- **Contract needed:** LNG Terminalling Agreement (LTA)
- **Booking via Subscription window in Q3 2020 (timing TBC):**



Remarks:

- As from Stand Alone Send Out entering into force until the Start Date for allocated Stand Alone Send Out, this new capacity can be used via Non Nominated Send Out (NNS).
- As from the Start Date for allocated Stand Alone Send Out, the remaining Stand Alone Send Out capacity can be booked FCFS for any duration until December 31st 2023 (or next Subscription Window). This remaining capacity can also be used via NNS.

*A variable cost of 1.3% Gas In Kind (GIK) applies on all send-out nominations. This LNG will be taken from your account, it is not a cash payment.

All tariffs are May 2020 tariffs.



Use case n°1: Shipper with CSA/LSA Slot in portfolio wishes to subscribe Stand Alone Send Out to regasify 140.000 m³ LNG cargo in 7 days instead of 10 days (calculations in back-up)

	Jetty utilization	Storage utilization	Send Out utilization
	Slot: 586.812,71 € ~ 0,63€/MWh (GIK excluded*)		
Already in portfolio	Berthing Right 101.884,06 €	Basic Storage 245.285,22 €	Basic Send Out 239.643,43 €* Stand Alone Send Out 40.400,27 €*
Still to buy			
Total	627.212,98 € ~ 0,67 €/MWh (GIK excluded*)		

* A variable cost of 1.3% Gas In Kind (GIK) applies on all send-out nominations. This LNG will be taken from your account, it is not a cash payment. All tariffs are May 2020 tariffs.



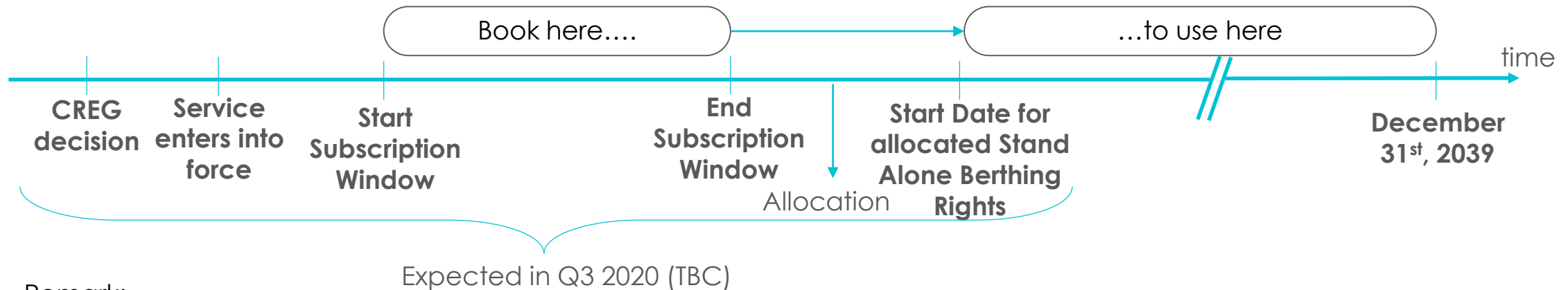
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Reframing Small Scale Berthing Rights into Stand Alone Berthing Rights

- Currently, Small Scale Berthing Rights can only be used for LNG loading services, we propose:
 - To extend the use of Small Scale Berthing Rights also for LNG unloading services
 - To rename the Small Scale Berthing Right into Stand Alone Berthing Right (hereafter SABR)
- **Available capacity:** 16 SABRs Sept->Dec 2020, 48 in 2021, 58/y 2022-2026, 70/y 2027-2039
- **Tariff (May'20):** 28.459,03 €/berthing (unchanged) + variable 0,75 €/MWh unloaded (NEW). The variable component only applies as from 38.205 MWh unloaded = 5.702 m³ LNG
- **Contract needed:** LNG Terminalling Agreement (LTA)
- **Booking via Subscription window in Q3 2020 (timing TBC):**

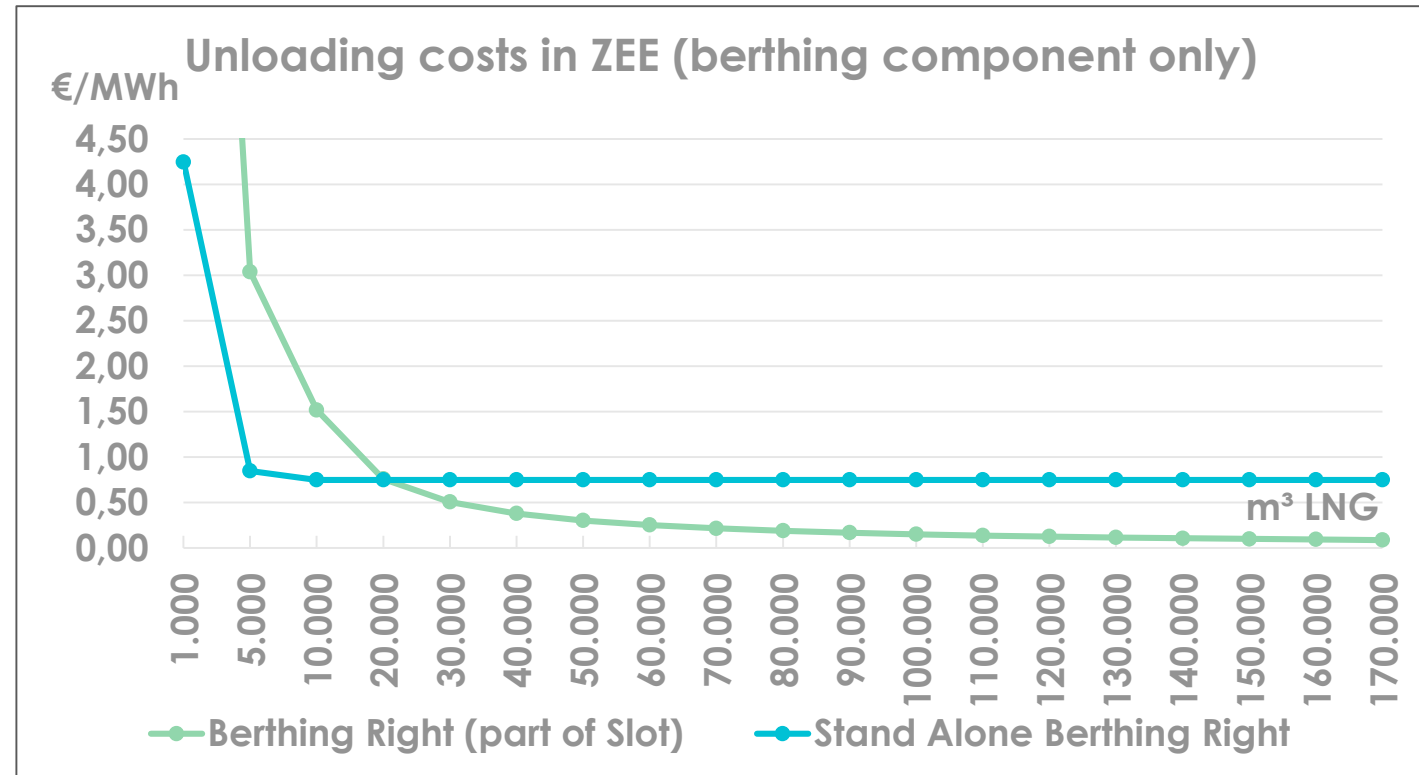


Remark:

- As from the Stand Alone Berthing Right entering into force until the Start Date for allocated Stand Alone Berthing Rights, bookings are possible FCFS strictly for use within this period.
- As from the Start Date for allocated Stand Alone Berthing Rights, the remaining Stand Alone Berthing Rights can be booked FCFS until December 31st 2039 (or next Subscription Window).

Reframing Small Scale Berthing Rights into Stand Alone Berthing Rights

- Stand Alone Berthing Rights can be used for any cargo size, though they are most competitive for ship unloadings of less than 20.000 m³ LNG
- Stand Alone Berthing Rights are not 'packaged' with any Storage Rights or Send Out Rights, which must be booked separately



Use case n°2: Shipper without any portfolio in Zeebrugge wishes to unload 10.000 m³ LNG to regasify in 2 days (calculations in back-up)

	Jetty utilization	Storage utilization	Send Out utilization
Already in portfolio			
Still to buy	Unload with SABR: 50.250 €	OR Residual Storage: 1.468,95 € Daily Storage: 1.473,94 €	Stand Alone Send Out: 11.651,44 €*
Total	63.370,39 € ~ 0,95 €/MWh (using Residual Storage) 63.375,38 € ~ 0,95 €/MWh (using Daily Storage) (Gas In Kind excluded)*		

* A variable cost of 1.3% Gas In Kind (GIK) applies on all send-out nominations. This LNG will be taken from your account, it is not a cash payment. All tariffs are May 2020 tariffs.



Use case n°3: Shipper without any portfolio in ZEE wishes to unload 10.000 m³ LNG to fill LNG trucks, LNG in tank decreasing linearly to 0 over 30 days (calculations in back-up)

	Jetty utilization	Storage utilization	Send Out utilization	Truckload utilization
Already in portfolio				
Still to buy	Unload with SABR: 50.250 €	<div style="text-align: center;">OR</div> Residual Storage: 15.180,11 € Daily Storage: 21.707,49 €		Truckloading slots*: 135.972,5 €
Total	201.402,61 € ~ 3,01 €/MWh (using Residual Storage) 207.929,99 € ~ 3,10 €/MWh (using Daily Storage)			

* Truckloading slots are considered at full price, this means excluding the 10 % reduction when truckloading slots are booked during a subscription window. All tariffs are May 2020 tariffs.



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Overview of the suggested changes to the regulated documents for consultation

LTA

- Scope broadened to offer all services except Slots & related services and Transshipment Services
- New provisions to enable LNG unloading & regas and to tackle topics such as custody, gas quality, gas metering and fuel gas (alignment with LSA)
- Parent Company rating reviewed from A- to BBB+ (same as LSA and LTSA)
- Small Scale Berthing Right (SSBR) renamed into Stand Alone Berthing Right (SABR)

LNG Access Code

- Creation of new services: LNG Delivery Service and Stand Alone Send Out Capacity
- SSBR renamed into SABR
- No minimum send out during unloading of an LNG ship smaller or equal to 30.000 m³ LNG and subject to a maximum unloading rate of 1.500 m³ LNG/h
- Provisions for access to the Electronic Data Platform reviewed to be GDPR compliant

Terminalling Programme

- Creation of new services: LNG Delivery Service and Stand Alone Send Out Capacity
- SSBR renamed into SABR
- Available Stand Alone Send Out capacity : 2.870 MWh/h
- Confirmation of capacity offered after commissioning of 5th tank and compressors

Regulated tariffs

- Stand Alone Send Out Capacity at the same tariff as Additional Send Out Capacity
- LNG Delivery Service : 0,75 €/MWh (base May 2020 – with a minimum of 28.459,03€)
- SABR tariff equal to SSBR tariff : 28.459,03 €/ship (base May 2020)

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Timeline and how to share comments

- This consultation started on May 11th and ends on May 29th 2020 (close of business)
- All documents in consultation are published on our [dedicated consultation webpage](#)
- You are kindly invited to send your written comments to marketing@fluxys.com by Friday 29 May 2020 (close of business)
- Please specify in your response, whether the content is to be treated as confidential or not. Unless otherwise mentioned, all comments will be treated as non-confidential



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New @ Fluxys LNG: Renewed LNG Tariff webpage

- Improvements vs old LNG Tariffs webpage:
- ✓ Explains how to combine components
 - ✓ Reflects product availability / sold-out
 - ✓ Direct link to the booking page
 - ✓ Highlights firm vs interruptible products
 - ✓ Communicates which contract to sign
 - ✓ Comparable products in identical units

Fluxys LNG Tariffs

[Main Tariffs](#)
 [Other Ship Tariffs](#)
 [Other Truck Tariffs](#)
 [Tariff sheet](#)

Legend :
 Firm
 Interruptible

If I want to ...

... I have to book ...

... I need to sign ...

Berthing Rights

Storage Rights

Send-out Rights

Truck Loading slots

Unload, store and regasify LNG	Slot : <u>Available M+1, M+2</u> : 586.812,71 € -> 0,63 €/MWh LT sold out until 2044			
	<div style="background-color: #00A0C0; color: white; padding: 5px; border-radius: 5px;">Berthing Right</div> <div style="background-color: #00A0C0; color: white; padding: 5px; border-radius: 5px;">Basic Storage</div> <div style="background-color: #00A0C0; color: white; padding: 5px; border-radius: 5px;">Basic Send Out + 1,3% GIK*</div>			
Unload LNG	Berthing Right separable from Slot as from D-10 Available M+1, M+2 101.884,06 €/berthing			LNG Services Agreement
Reload LNG	Berthing Right separable from Slot as from D-10 Available M+1, M+2 101.884,06 €/berthing + 0,20 €/MWh loaded			
	Additional Berthing Right Available FCFS			



New @ Fluxys LNG: New webpage on Available LNG Capacities

In Zeebrugge				
Ship solutions			Truck solutions	
	Unload, store & regas LNG	Reload LNG	Transship LNG	Load LNG into trucks
Primary Market	<p>Slots available:</p> <ul style="list-style-type: none"> • 18 June 2020 by Fluxys LNG • 20 June 2020 by Fluxys LNG 	<ul style="list-style-type: none"> • 48 slots/y until end 2021 • 58 slots/y 2022 - 2026 • 70 slots/y as from 2027 <p>Contact us for an available date</p>	Currently no slots available	<p>Slots available: become a LNG Terminal user and log in on the Electronic Data Platform</p>
Secondary Market	<p>Slots available:</p> <ul style="list-style-type: none"> • 21 May 2020 by EDF Trading • 26 May 2020 by EDF Trading 	<p>Skangas (Gasum):</p> <ul style="list-style-type: none"> • 10 slots/y until end 2021 	Currently no slots available	Currently no slots available
	More info	More info	More info	More info





Questions?

For questions after this session, contact our Key Account Managers



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shaping together
a bright energy
future



Back-up

Use case n°1: Shipper with CSA/LSA Slot in portfolio wishes to subscribe Stand Alone Send Out to regasify 140.000 m³ LNG cargo in 7 days instead of 10 days

	Jetty utilization	Storage utilization	Send Out utilization
	Slot: 586.812,71 € ~ 0,63€/MWh (GIK excluded*)		
Already in portfolio	Berthing Right 101.884,06 €	Basic Storage 245.285,22 €	Basic Send Out 239.643,43 €* Stand Alone Send Out 40.400,27 €* Total 627.212,98 € ~ 0,67 €/MWh (GIK excluded*)
Still to buy			
Total			

- Regasifying 140.000 m³ in 7 days requires hourly Send Out of 5.583 MWh/h [= (140.000 *6,7) / (7*24)]
- Shipper has only 4.200 MWh/h Basic Send Out included in Slot, hence additionally books 1.383 MWh/h Stand Alone Send Out for 7 days
- Required Stand Alone Send Out costs = 40.400,27 €
 - or 1.383 MWh/h * 7 days * 24 hours * [(1,5232 €/kWh/h/y)*1000/365/24]

* A variable cost of 1.3% Gas In Kind (GIK) applies on all send-out nominations. This LNG will be taken from your account, it is not a cash payment.
All tariffs are May 2020 tariffs.



Use case n°2: Shipper without any portfolio in Zeebrugge wishes to unload 10.000 m³ LNG to regasify in 2 days

	Jetty utilization	Storage utilization	Send Out utilization
Already in portfolio			
Still to buy	Unload with SABR: 50.250 €	OR Residual Storage: 1.468,95 € Daily Storage: 1.414,91 €	Stand Alone Send Out: 11.651,44 €*
Total	63.370,39 € ~ 0,95 €/MWh (using Residual Storage) 63.316,35 € ~ 0,95 €/MWh (using Daily Storage) (Gas In Kind excluded)*		

- Unloading 10.000 m³ on a SABR costs 50.250 € = 10.000 m³ * 6,7 MWh/m³ * 0,75 €/MWh unloaded
- To regasify 10.000 m³ LNG in 48 hours, Shipper needs to Send Out 1.396 MWh/h [=(10.000*6,7)/48].
 - This costs 11.651,44 € = 1.396 MWh/h * 48 h * [1,5232 €/kWh/h/y] * 1000 / 365 / 24
- The needed Residual Storage costs in total 1.468,95 € :
 - 10.000 m³ storage for day n°1: 979,30 € = 10.000 m³ * [35,7444 €/m³LNG/y] / 365
 - 5.000 m³ storage for day n°2: 489,65 € = 5.000 m³ * [35,7444 €/m³LNG/y] / 365
- The Daily Storage costs in total: 1414,91 €
 - For every hour (during the 48 hours), apply: Gas In Store, rounded up * (Daily Storage Tariff/24)
 - Then make the sum of those 48 values to obtain total Daily Storage costs

* A variable cost of 1.3% Gas In Kind (GIK) applies on all send-out nominations. This LNG will be taken from your account, it is not a cash payment.
All tariffs are May 2020 tariffs.



Use case n°3: Shipper without any portfolio in ZEE wishes to unload 10.000 m³ LNG to fill LNG trucks. LNG in tank decreasing linearly to 0 over 30 days

	Jetty utilization	Storage utilization	Send Out utilization	Truckload utilization
Already in portfolio				
Still to buy	Unload with SABR: 50.250 €	OR Residual Storage: 15.180,11 € Daily Storage: 21.707,49 €		Truckloading slots*: 135.972,5 €
Total	201.402,61 € ~ 3,01 €/MWh (using Residual Storage) 207.929,99 € ~ 3,10 €/MWh (using Daily Storage)			

- Truckload utilization:
 - Hypothesis that the ship is fully loaded into trucks, i.e. 0 mandatory send out
 - 10.000 m³ LNG /40 = 250 truckloadings needed for 1 ship of 10.000 M³ LNG
 - Total truckloading cost is 135.972,5 € = 250 * 543,89 €
- The Daily Storage costs
 - For every hour (during the 720 hours), apply: Gas In Store, rounded up * (Daily Storage Tariff/24)
 - Then make the sum of those 720 values to obtain total Daily Storage costs
- The Residual Storage costs
 - For every day (during the 30 days), apply: Gas In Store, rounded up * (Residual Storage Tariff/365)
 - Then make the sum of those 30 values to obtain total Residual Storage costs



Available LNG Capacities (LSA/CSA Slots excluded)

Berthing Rights

Additional Berthing Right

- For LNG reloading: 83.385,16 € + 0,20 €/MWh loaded
- Bookable FCFS & Subscription Window (if applicable)
- Available capacity published on fluxys.com

Stand Alone Berthing Right (if approved)

- For LNG unloading: 0,75 €/MWh (min. 28.459,03€)
- For LNG reloading: 1,11 €/MWh (min. 28.459,03€)
- Bookable via Subscription Window/FCFS
- Available capacity published on fluxys.com

Storage Rights

Daily Storage

- 0,022 €/MWh/day
- Bookable Day Ahead before 10 am
- Granularity on an hourly basis
- Available capacity published on gasdata.fluxys.com

Residual Storage

- 0,015 €/MWh/day
- Bookable M+1 → M+6
- Granularity on a daily basis
- Available capacity published on fluxys.com

Send Out Rights

Daily Send Out

- 0,174 €/MWh*
- Bookable Day Ahead before 10 am
- Granularity on an hourly basis
- Available capacity published on gasdata.fluxys.com

Stand Alone Send Out (if approved)

- 0,174 €/MWh*
- Bookable in Subscription Window, remaining FCFS
- Granularity on a daily basis
- Available capacity will be published on gasdata.fluxys.com

* A variable cost of 1.3% Gas In Kind (GIK) applies on all send-out nominations. This LNG will be taken from your account, it is not a cash payment.
All tariffs are May 2020 tariffs

