



Consultation Report 6bis

2018 LNG Tariff Proposal

Version : 1.0

Status: Final

Classification: Public

1. INTRODUCTION	2
2. CONSULTATION PROCESS	2
3. OUTCOME OF CONSULTATION PROCESS	2
4. APPENDICES	3

1. INTRODUCTION

From 24 April to 9 May 2018, Fluxys LNG consulted the market regarding the tariffs applicable for services offered at the Zeebrugge LNG Terminal, namely:

- (i) Small Scale Berthing Right Service,
- (ii) LNG Residual Storage Service, and
- (iii) Truck Approval Service

Fluxys LNG prolonged the consultation till 17 May 2018 in order to consult also on the introduction of a discount of 10% on LNG Truck Loading Service which is subscribed during a future subscription window.

2. CONSULTATION PROCESS

For what concerns the envisaged modifications to the LNG services (i.e. the introduction of the small scale berthing right and the LNG residual storage services), a consultation on the related amendments to the regulated documents was organized by Fluxys LNG from 9 March 2018 until 6 April 2018. The tariff modifications regarding these services go hand in hand with the amendments to the regulated documents. Please refer to that consultation for more details.

Fluxys LNG launched this market consultation by publishing the proposed documents on its website - at the usual location for such consultations, supported by an announcement on the homepage - and via direct e-mailing to all registered market participants (LNG Shippers and Truck Companies), associations and LNG prospects.

During the period from 24 April until 17 May 2018 (included), stakeholders were invited to submit their written feedback and, if needed, seek additional information through bilateral contacts with Fluxys LNG.

Taking into account the different comments received, Fluxys LNG submits for approval to the CREG, the so amended version of the Tariffs for the utilisation of the LNG Terminal of Zeebrugge and for services of Fluxys LNG.

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 CREG – see appendices. Feedback was received from 2 individual LNG Shippers on the following topics.

Small Scale Berthing Right Service

- One market participant asked confirmation of Fluxys LNG whether the related Ship Loading Service of 1,00€/MWh loaded during the operation for which the Small Scale Berthing Right was subscribed was applied as from 25.561 MWh – so that the first 25.561 MWh are free of charge – or already from the first MWh. The latter being applicable, this will be made clear in the tariff sheet to avoid misunderstandings.
- One market participant pointed out the large tariff differential between the berthing right cost for conventional vessels and the additional berthing right cost for smaller vessels. Fluxys LNG clarified that the tariffs used by the market participant for its calculations were not correct. Fluxys LNG will investigate how it can avoid such misinterpretation of the applicable tariffs in the future.

LNG Residual Storage Service

- One market participant asked confirmation whether the volumes subscribed as Daily Storage, Additional Storage and Residual Storage were excluded from the minimum send-out. Fluxys LNG clarified that none of these volumes were excluded from the minimum send out.

Topics outside the scope of the consultation

- One market participant reported that the additional berthing right is too restrictive as it is for vessels up to 15.000 m³ and this does not reflect the range of small-LNG fleet capacities available in the market as it is according to the International Group of LNG Importers considered to cover a range of 10.000 m³- 25.000 m³. Fluxys LNG clarified that the different berthing right options aim at covering the full range of size of the cargos, yet with differentiated pricing approaches, up for the market to choose from: either a lower fix fee with an higher variable fee depending on the loaded LNG volume (in MWh) or a higher fix fee with a lower variable fee depending on the loaded LNG volume (in MWh).

4. APPENDICES

4.1 Appendix 1: Market consultation – public material

4.2 Appendix 2: Market consultation – confidential material