

Consultation Report 39

Balancing Tariffs 2020

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1. INTRODUCTION

As from 19 August until 6 September 2019, Fluxys Belgium consulted the market on the proposed Balancing tariffs applicable for Calendar year 2020. In accordance with CREG decision (B)150903-CDC-656G/29, Fluxys Belgium shall indeed introduce a proposal to CREG for approval, regarding the balancing tariffs applicable during the next balancing period (e.g. 1st of January 2020 to the 31st of December 2020), by October 1st the preceding year. This consultation is therefore organized before such introduction.

2. CONSULTATION PROCESS

Fluxys Belgium launched this market consultation by announcement of 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 duly registered market participants and associations. During the period from 19 August till 6 September 2019, 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 CREG, the proposed tariffs as consulted.

3. OUTCOME OF CONSULTATION PROCESS

All comments received are listed and individually treated in the “Q&A” which makes part of the consultation report submitted to CREG – see appendices.

Feedback was received from 1 grid user and 1 representing organization(FEBEG). The market reactions were globally positive and welcoming the proposed tariff (e.g. maintaining the level of small adjustments, to 0% for helpers and 3% for causers and introducing a negative neutrality fee of -0.004 €/MWh).

However, FEBEG is not fully convinced whether the -0,004 €/MWh negative charge is sufficient to realize the proposed reduction on the neutrality account. Still, Fluxys Belgium believes that the figures presented in the consultation will be close to reality, in the hypothesis that no exceptional situation occurs. It even enhanced its forecast of the result of the balancing activity, by integrating the expected evolution of gas price in its projections.

Fluxys Belgium received also the suggestion to evaluate the functioning of the small adjustment for causers. Elements at Fluxys Belgium disposal show that there is a sensitivity of the balancing position to the gas price (cf. higher EOD positions during the last months, at a time of (very) low gas prices). The role of the small adjustment as an incentive will be further studied in 2020.

FEBEG also mentioned that the procedure of reviewing the tariff proposal in the future (at the time of the next tariffs proposal or during the next tariff period if necessary) is acceptable provided that the future reviewed tariff is strictly limited to the adaptation of the neutrality charge from -0,004 €/MWh to 0 €/MWh. Fluxys Belgium confirms that any other modification than the one stated in the consultation will be preceded by a new market consultation

4. APPENDICES

4.1 Appendix 1: Market consultation – public material

4.2 Appendix 2: Market consultation – confidential material