

# Info session: BioLNG



Consultation 53:

BioLNG Liquefaction Service & Auction  
Mechanisms

20/07/'21



## 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
- Presentation will be shared after the info session on the Fluxys website
- For further questions after this info session, reach out to our Key Account Managers



shaping together  
a bright energy  
future

# Agenda

- Consultation 53: bioLNG and selling mechanisms
- BioLNG service at Fluxys LNG
- Long term and short term offering (+example)
- What to do as a client



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# Consultation 53: bioLNG and selling mechanisms

## 1. Bio LNG

High level timeline BioLNG:

12<sup>th</sup> of Dec '20  
*ISCC certified*

1<sup>st</sup> – 31<sup>st</sup> July '21  
Consultation for BioLNG  
service proposal



1<sup>st</sup> of Jan '21  
Conversion of LNG into  
bioLNG possible (via  
*certificate transfer*)

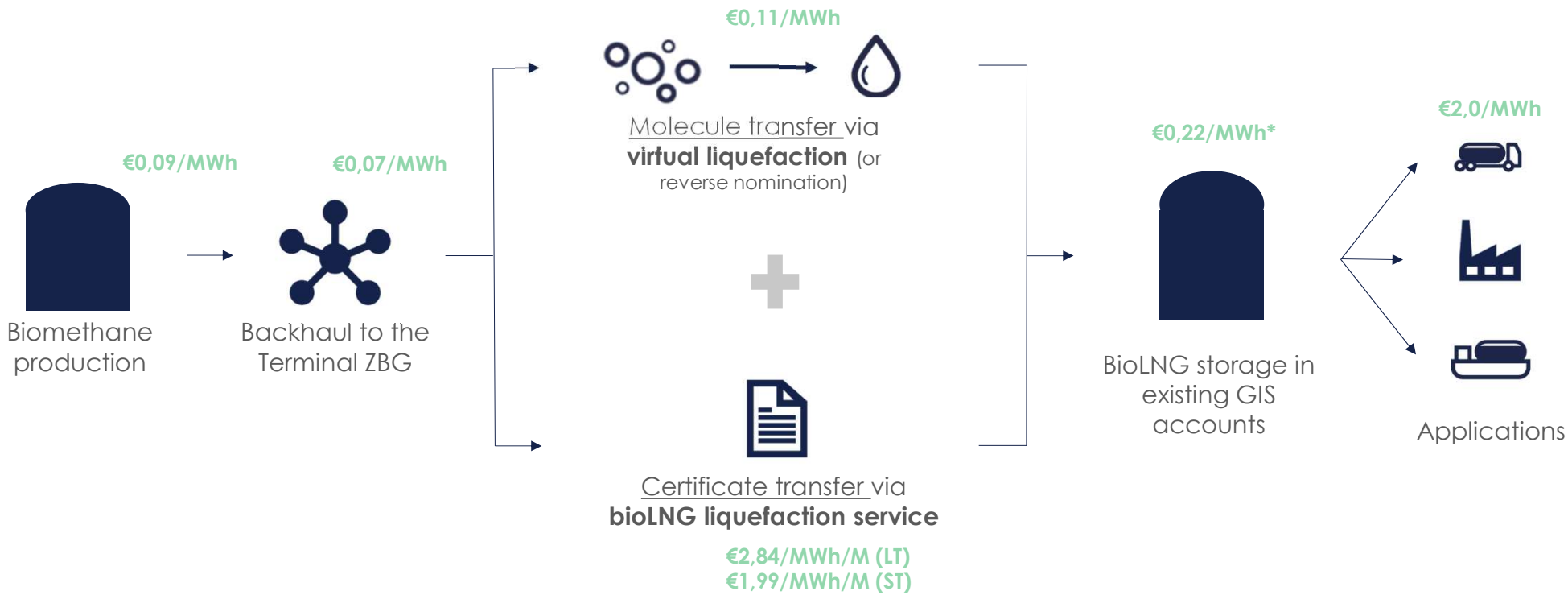
Go Live (subject to  
approval CREG ~Q4 '21)

## 2. Selling mechanisms

Selling mechanisms are updated to be in line with the selling mechanisms of Fluxys Storage but will not yet be applied to the bioLNG liquefaction service.



# BioLNG service at Fluxys LNG



\* For 10 days of daily storage



# Overview of costs for bio-LNG chain

Upfront booking necessary?	Type	€/MWh (June 2021)
Yes	Entry gas grid	0,09
Yes	Backhaul to ZBG	0,07
No	Virtual Liq.*	0,11
Yes	Bio-LNG liq. Service	2,84 (LT)/ 1,99(ST)
Yes/no	Storage (10days)	0,22
	<b>Total</b>	<b>3,33 (LT)   2,48 (ST)</b>
	Total + truck slot	5,33 (LT)   4,48 (ST)



Shippers owning SLOTS will use Reverse Nomination instead



# Fluxys will offer **long term** and **short term** bio-LNG capacities

- Historical data shows a monthly minimum liquefaction of **21,6 GWh on a monthly basis**
- However, **variable liquefaction** in the recondensors due to the constantly changing operational regime



**Long term** capacity = minimum or base liquefaction

**Short term** capacity = the extra or the non-nominated long term capacity

- **ISCC** allows to **credit unused capacity** to the next period



Credits are added to the **short term** capacity

- **Virtual liquefaction** = Gas to LNG (=molecule transfer)

- **Bio LNG liquefaction Service** = LNG to Bio-LNG (=certificate transfer)



Both are needed to proof mass balance by shippers to ISCC

- The **variable production** requires **follow up on offering and reporting**



Monthly offering to shippers and quarterly reporting from Fluxys BE to ISCC (GIS vs offered ST Bio liq service)

*\*Mass balance means that it has to be proven that the biomethane has been transported through the Fluxys natural gas grid, virtually liquified and the same amount of Bio LNG liquefaction capacity has been allocated to the shipper*



# Long term capacity

## LT capacity Offer:

- **21,6 GWh/month on a yearly basis**
- LT capacity remains conditional to risk TTH /reduced min-SO

## Service allocation:

- Yearly allocation window (subscription window or auction)

## Nomination :

- The LT nomination are allocated entirely to the client unless the available quantity is less than 21,6 GWh/month, e.g. reduced minimum SO.
- Allocation occurs on the 10<sup>th</sup> BD of M+1 at the latest

## Price

- 2,54 € / MWh / Month

# Short term capacity

## ST capacity Offer:

- All produced capacity minus the allocated LT capacity of previous month + unsold ST capacity of previous month

## Service allocation:

- Monthly subscription window (M+5 days at the latest)
- If total demand > ST offer -> pro rata demand

## Nomination :

- The Nomination for the ST capacity is considered the request for the ST service

## Price

- 1,78 € / MWh / Month

! service excludes transfer of molecules from grid to terminal → no increase in GIS





# Example

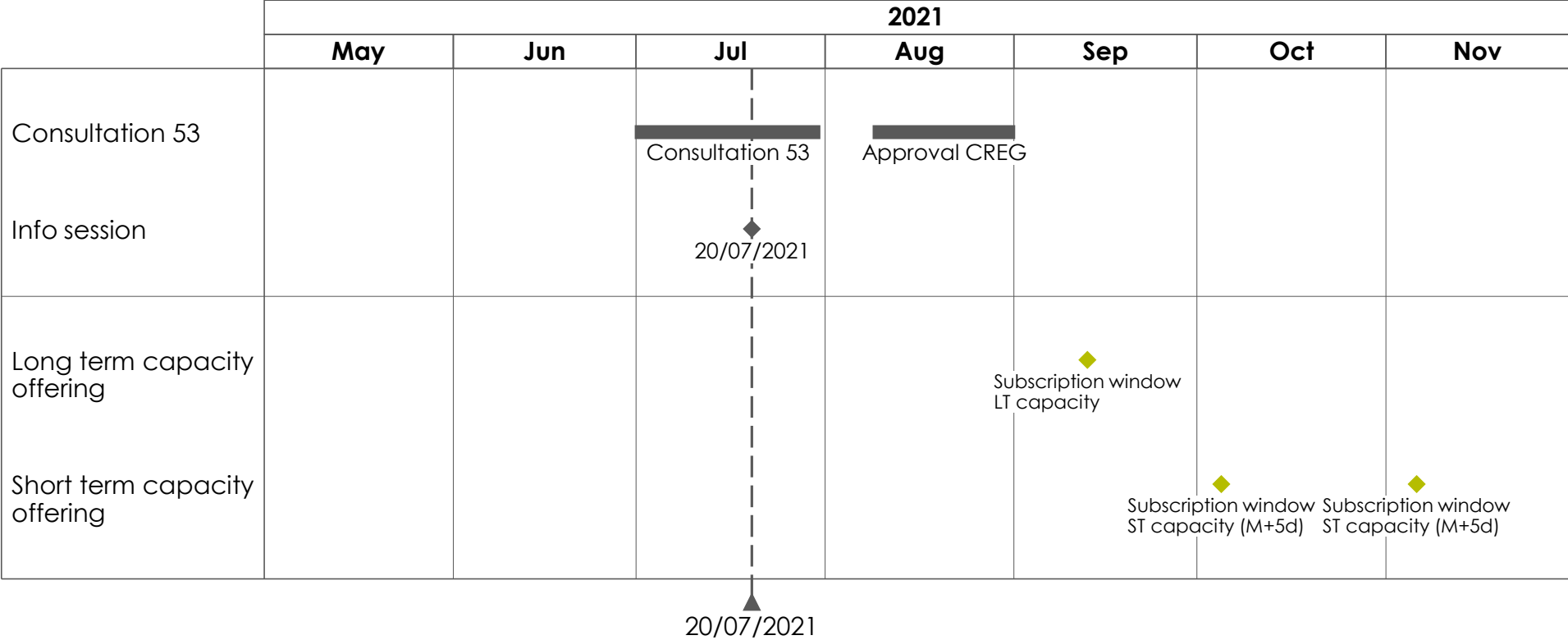
**Step 0**  
 Yearly **LT** allocation window:  
 Shipper 1: **3,6** GWh/M  
 Shipper 2: **14,4** GWh/M  
 Shipper 3: **3,6** GWh/M

**GIS check = 10**

	DEC	JAN	FEB	MAR	APR	MAY
<b>Production P:</b>	21,6 GWh	50 GWh	40 GWh	21,6 GWh	125 GWh	
<b>LT nomination:</b>	SH1: 3,6 SH2: 7,2 + 7,2 SH3: 3,6	SH1: 3,6 SH2: 14,4 SH3: 0	SH1: 3,6 SH2: 14,4 SH3: 3,6	SH1: 2,0 SH2: 6,0 SH3: 2,0	SH1: 3,0 SH2: 0 SH3: 3,0	
<b>LT allocation:</b>	SH1: 3,6 SH2: 14,4 SH3: 3,6	SH1: 3,6 SH2: 14,4 SH3: 0	SH1: 3,6 SH2: 14,4 SH3: 3,6	SH1: 2,0 SH2: 6,0 SH3: 2,0	SH1: 3,0 SH2: 0 SH3: 3,0	
<b>ST availability:</b>		0 (21,6 - 21,6 + 0)	32 (50 - 18 + 0)	25,4 (40 - 21,6 + 7)	10 (Min(10; 21,6 - 10 + 10,4))	119 (125 - 6,0 + 0)
<b>ST demand:</b>		0	SH4: 15 SH5: 10	SH4: 15	SH1: 6,0 SH4: 4,0 SH5: 10,0	SH1: 90 SH3: 11
<b>ST allocation:</b>		0	SH4: 15 SH5: 10	SH4: 15	SH1: 3,0 SH4: 2,0 SH5: 5,0 <small>(SW -&gt; pro rata allocation)</small>	SH1: 90 SH3: 11
<b>Unsold ST Capacity:</b>	0 GWh	0 GWh (0 - 0)	7 GWh (32 - 25)	10,4 GWh (25,4 - 15)	0 GWh (10 - 10)	16,8 GWh (117,8 - 101)



# Go live of the service



## What to do as a client?

- Be certified according to the **ISCC framework**
- Be a **LNG terminal user** at Zeebrugge
- **Responsibility** of the terminal users to follow **the directives on the mass balance (Renewable Energy Directives II)**:
  - Molecules should follow the certificates (bioLNG & virtual liquefaction)
  - BioLNG certificates need to be in balance with bioLNG molecules in the GIS account



## More info

International Sustainability & Carbon Certification (ISCC)

**General:** <https://www.iscc-system.org/>

**Overview certifying bodies:** <https://www.iscc-system.org/process/certification-bodies-cbs/recognized-cbs/>

**Service:** Ask your Fluxys key account manager



Svetlana  
Bochkova



Mihaela  
Brinza



Corentin  
Cassiers



Julien  
Cruz



Frédéric  
Gille



Werner  
Luyts



Cedric  
Van Hoonacker

Any questions?



**fluxys** 