



Consultation 8 and Consultation 9 Report

Version : 0.1

Status: Final

Classification: Public

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

1. INTRODUCTION

From the 3rd of April 2023 until the 28th of April 2023 included, Balansys SA launched the market consultation 8 to propose changes in the regulatory documents.

The proposed modifications in the regulatory documents aim at:

- (i) Introduction of Main Causer and Minor Causer concept
- (ii) Changes to the settlement methodology where
 - a. Introduction of an encouragement factor for Within-Day settlements
 - b. Differentiation of small adjustments between Main and Minor Causers

Following the feedback receiving for this consultation, and after discussion with the regulators, Balansys decided to launch the Consultation 9, from July 12th 2023 until August 16th 2023 included. This consultation 9 takes into account feedback received during market consultation 8.

2. CONSULTATION PROCESS

Balansys SA launched a market consultation by publishing the proposed documents on its website - at the usual location for such consultation and via direct e-mailing to all duly registered market participants and associations.

During the periods from 3rd of April 2023 until the 28th of April 2023 included and from July 12th 2023 until August 16th 2023 included, stakeholders were invited to submit their written feedback and, if needed seek additional information through bilateral contacts with Balansys SA.

Taking into account the different comments received, Balansys SA submits for approval to the CREG and the ILR, the so amended version of the Balancing Agreement, Balancing Program and Balancing Code.

3. OUTCOME OF CONSULTATION 8 PROCESS

Feedback was received from 4 individual Network Users. It is to be found in the Q&A Consultation 8, and included in the consultation report submitted to CREG and ILR.

Feedback and modifications are briefly summarized hereunder :

- Main/Minor Causer limit has been set at 20% of the Market Threshold and included in the regulated documents;
- Encouragement Factor has been renamed to Incentivizing Factor;
- Incentivizing Factor is to be applied in the Settlement Price formula instead of the Settlement Cost formula.

4. OUTCOME OF CONSULTATION 9 PROCESS

Feedback was received from 5 Network Users; 2 of them mentioned their feedback as being confidential.

All comments received are listed and individually treated in the Q&A Consultation 9, and included in the consultation report submitted to CREG and ILR.

Concerning the fixed value for Main/Minor Causer Limit being 20% of the Market Threshold and its introduction in the regulated documents :

- One shipper appreciates it;
- A second shipper complains about the level of the limit is not explained/arbitrary and that it should be equal to each shippers actual share in the whole of the Belgian end customer's portfolio;
- The 3 other shippers don't refer to it.

In response to that, Balansys wants to remind that

- market feedback from Consultation 8 was taken into account and introduced in Consultation 9; Main/Minor Causer Limit are now proposed to be equal to 20% of the Market Threshold and fixed in the regulated documents;
- having a fixed Main/Minor Causer Limit, instead of a Main/Minor Causer Limit related to domestic exit shares, is the best choice as :
 - it is consistent with the market-based balancing system chosen for the market area, and its inherent benefits (level playing field, increased liquidity ZTP, easily access to newcomers...);
 - it is also applicable and fair for Network Users having no domestic exit;
- the Network User has full ownership of his own balancing position and by consequence his status Main/Minor Causer;
- the Imbalance Smoothing system exists to help shippers with distribution domestic point in Belgium;
- for end consumers connected directly to the transmission network, the consumer and the network user have to work together in order to match the hourly consumption and supply.

Concerning the inclusion of the Incentivizing Factor in the settlement price formula instead of in the settlement cost formula, no feedback was given.

Finally, some remarks were received on the values of the Incentivizing Factor and the difference in Small Adjustments between Minor and Main Causer, these values will be published on the Tariff Sheet after a consultation from the market and validation of the regulators

5. APPENDICES

5.1 Appendix 1: Market consultation 8 – public material

5.2 Appendix 2: Market consultation 9 – public material