

Consultation on Balansys documents Luxembourg, June 8, 2017

The Luxembourgish Transmission System Operator (TSO) Creos Luxembourg and the Belgian TSO Fluxys Belgium and their respective regulator, ILR (“Institut Luxembourgeois de Régulation”) and CREG (“Commission pour la Régulation de l’Electricité et du Gaz”), have been working together in order to integrate their national H-gas markets as of 1 October 2015.

In order to finalize the transfer of the balancing responsibilities from Fluxys Belgium to Balansys, Balansys is consulting the market on its regulatory documents. These documents are based on the regulatory documents for balancing services that were consulted between 2 February 2015 and 6 March 2015, approved by the ILR and currently into force in Luxembourg, with the exception of the following main changes:

1) Imbalance pooling service

Since 1 April 2017, Grid Users in Belgium have the possibility to pool their imbalance positions, by transferring the hourly imbalance of one party towards another. Such transfer is realized by implicitly realizing a transaction on the ZTP (H or L respectively) corresponding to the hourly imbalance and is subject to the application of the Hub services variable fee. The Transferor is therefore guaranteed to always be “in balance”, exempted from any possible balancing settlement, be it within-day or end-of-day. The “balancing responsible party” – the Transferee – can endorse this responsibility for several counterparties. In the future, the imbalance pooling service will be offered by Balansys. The service description is therefore included in the Balansys regulatory documents.

2) Invoice in advance

Current provisions in the Balancing Agreement provide Balansys with the possibility to inform the TSOs – Creos and Fluxys – that a grid user has created imbalances which are in excess of financial capabilities. As a result of this, the TSOs shall have the right to immediately suspend the Transmission Services of the respective grid user.

New provisions enable Balansys to invoice the Balancing Settlement Fees (BAL Invoice) in advance whenever the amount due by the grid user for the next Monthly BAL Invoice is greater than a threshold determined by the collateral. In such specific case, Balansys will send an invoice in advance and the grid user has the obligation to pay it within a period of five business days from receipt, which will be deemed to have been acquired within two business days of its shipment by mail, e-mail or fax. If Balansys doesn’t receive the payment in due time, Balansys has the right to inform the TSOs of this situation and the grid user expose himself to the suspension of its Transmission Services as described in the above-mentioned current provision . This allows Balansys to better anticipate and monitor such events.

3) Integration of hub activity by Fluxys Belgium

In 2016, Hub Services were brought under the scope of regulated transmission services of Fluxys Belgium. Therefore, the Balansys documents were adapted accordingly.