



Consultation 10 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

As from 28 August 2023 until 15 September 2023, Balansys SA consulted the market on the proposed Balancing tariffs applicable for Calendar year 2024. In accordance with CREG decision (B)150903-CDC-656G/29, Balansys SA shall introduce a proposal to CREG for approval, regarding the balancing tariffs applicable during the next balancing period (e.g. 1st January 2024 to the 31st December 2024), by 1st October 2023. This consultation has therefore been organised before such introduction.

2. CONSULTATION PROCESS

Balansys SA 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 28 August 2023 till 15 September 2023, 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 CREG a tariff amounting to – 0.05 €/MWh for the neutrality fee.

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 2 market participants (Engie and Luminus).

Engie believes that the Incentivizing Factor for Main Causers fixed to 10% is very high and that a lower factor will suffice to incentivize shippers to stay within the Main Causer Upper and Lower Limits and suggests an Incentivizing Factor for Main Causers at 5%. Luminus also believes that 10% for the Incentivizing Factor for Main Causers is too high and urges Balansys to reduce it to 5%. Furthermore, Luminus is of the opinion that all shippers should be incentivized and proposes to introduce an Incentivizing Factor for Minor Causer at 3%.

Balansys suggests to keep the 10% as Incentivizing Factor for Main Causers. Engie asserts that a lower limit will be sufficient to incentivize shippers. If this is the case, there is no problem in keeping the limit at 10%. Furthermore, with a 5% limit, Balansys is not convinced that the incentive will be enough to change the behaviour of the shippers who are less respectful of monitoring their imbalance. On the other hand, it seems appropriate not to put an Incentivizing Factor for shippers who control their balancing position during the day and who do not abuse of market flexibility. It's why Balansys suggests to let the Incentivizing Factor for Minor Causers at 0%. These two parameters could change in the future in function of the evolution of the shipper's behaviours.

Luminus also considers unfair that Minor Causers would be exempted from any Small Adjustment while they are contributing to the imbalance. Therefore, Luminus proposes to maintain the Small Adjustment at 3% for both the Main Causers and Minor Causers.

Again, Balansys wants to reward shippers which monitor their imbalance and to allow them to deviate slightly from their balancing position without being penalized (this request was the subject of a recurring comment during the previous consultations).

Luminus also complains about the 20% of the Market Threshold as the Upper and Lower Limit to determine the distinction between the Minor Causer and the Main Causer. Luminus considers it as not balanced, not fair and discriminatory.

Balansys cannot take this comment into account because it was the subject of another consultation (No. 9) where this comment was answered and which was approved by the regulators mid-September.

4. APPENDICES

4.1 Appendix 1: Market consultation – public material

4.2 Appendix 2: Market consultation – confidential material

1. Market consultation – public material

- a. E-mail : invitation to submit comments
- b. List of documents in consultation
- c. Questions & Answers
- d. Printed copy of written comments

E-mail: invitation to submit comments



Balansys: Market Consultation 10

Balancing tariffs in the Belux Area for 2024

Dear Customer,

Balansys consults the market on the balancing fee for neutrality purposes, the values of the small adjustments and the incentivizing factor (new concept proposed in the balancing code subject to approval by CREG and ILR) for 2024.

The market consultation is open from **August 28, 2023** to **September 15, 2023** and the document explaining the proposed adjustments is available on our [website](#):

- [Consultation on balancing tariffs 2024](#)

We invite you to send your comments to marketing@balansys.eu before **5.00 p.m. on 15 September 2023**. Do not forget to specify in your email whether the content is to be treated as confidential or not. Unless otherwise specified, all comments will be treated as non-confidential.

We thank you in advance for your cooperation and remain at your disposal for further information via info@balansys.eu.

Yours sincerely,

The Commercial Team

List of documents in consultation

The document is available on our website, via the following link:

<https://www.balansys.eu/market-consultation-from-28-august-to-15-september-2023/>

MARKET CONSULTATION FROM 28 AUGUST TO 15 SEPTEMBER 2023

Balansys consults the market on the balancing fee for neutrality purposes, the values of the small adjustments and the incentivizing factor (new concept proposed in the balancing code subject to approval by CREG and ILR) for 2024. The market consultation is open from August 28, 2023 to September 15, 2023 on the following document:

- [Consultation on balancing tariffs 2024](#)

Questions & Answers

Printed copy of written comments – Public

Consultation Report – Consultation n°10

1. Engie

De : nasma.sahbani@engie.com
Envoyé : vendredi 15 septembre 2023 15:21:04 (UTC+01:00) Bruxelles, Copenhague, Madrid, Paris
À : Balansys Marketing
Cc : beatrice.debacker@engie.com; francois.pillard@engie.com; franck.bourmeau@engie.com; Luys Werner
Sujet : ENGIE's comments to market consultation n°10

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

Dear,

Please find below ENGIE's comments on Balansys' market consultation n°10 'Balancing tariffs 2024' :

We believe a 10% Encouragement Factor for Main Causers is extremely high, and that a lower factor will suffice to incentivize shippers to stay within the Main Causer Upper and Lower Limits, we would suggest an Encouragement factor for Main Causers at 5%.

Kind regards,

ENGIE Mail Disclaimer: <http://www.engie.com/disclaimer/>

2. Luminus

Date: 15/09/2023
Auteur: Steven Harlem
Adressee: Balansys



BALANSYS CONSULTATION #10 Balancing tariffs in the Belux area for 2024

1. INTRODUCTION

Balansys is organizing a market consultation (#10) on the balancing tariffs in the Belux area for 2024. The consultation is open until the 15th of September, 2023.

Luminus would like to thank Balansys for providing market actors with the possibility to comment the proposed balancing tariffs.

The comments and suggestions of Luminus are not confidential. They cannot in any way be explained or interpreted as a consent with the proposals of Balansys. Luminus explicitly reserves the right to contest the proposed balancing tariffs.

2. COMMENTS AND SUGGESTIONS

2.1. INTRODUCTION OF MAIN AND MINOR CAUSERS CONCEPT

Balansys proposed to introduce the **Main and Minor Causers** concept whereby the distinction between Main and Minor Causer will be determined by the Main Causer Limits (lower and upper) and these limits will be set at 20 % of the Market Thresholds.

Luminus wishes to repeat that it considers **these proposals as not balanced, not fair and even discriminatory**. Luminus would like to refer to its response to the Balansys consultation #9.

2.2. PROPOSAL OF INCENTIVIZING FACTOR AND SMALL ADJUSTMENTS

Using an absolute Main Causer Limit to make the distinction between Main and Minor Causer is already discriminatory, but the way the Incentivizing Factor and the Small Adjustments are set reinforces this discrimination:

- Incentivizing Factor

Luminus believes that a 10 % Incentivizing Factor for Main Causers is extremely high, and that a lower factor will suffice to incentivize shippers to stay within the Main Causer upper and lower limits. **Luminus urges Balansys to set the Incentivizing Factor for Main Causers at 5 %**. Furthermore, Luminus is of the opinion that all shippers should be incentivized: as the Small Adjustments would be set at 0 %, Luminus proposes to **introduce a 3 % Incentivizing Factor for Minor Causers**.

- Small Adjustments

Luminus would consider it unfair and discriminatory that some shippers, i.e. Minor Causers, would be exempted from any Small Adjustment while they are also contributing to the imbalance. Therefore, Luminus proposes to **maintain the Small Adjustments at 3 % for both the Minor Causers as the Main Causers**.

2.3. CONCLUSION

Luminus believes that the **Balansys proposals for modification of the imbalance settlement are not balanced, not fair and even discriminatory**. Luminus is of the opinion that (1) the proposed differentiation between Main Causer and Minor Causer is discriminatory, that (2) the Incentivizing Factor for Main Causers is disproportionate and that (3) all shippers contributing to the imbalance should be incentivized.

2. Market consultation – confidential material

- a. Questions & Answers
- b. Printed copy of written comments
- c. List of bilateral meetings