



# MARKET CONSULTATION ON BALANCING TARIFFS IN THE BELUX AREA FOR 2025

19 August 2024 – 09 September 2024

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## 1 INTRODUCTION

In accordance with CREG decision (B)150903-CDC-656G/29 and ILR regulation E15/38/ILR of 28 August 2015, Balansys shall introduce a proposal to CREG and ILR for approval, regarding the balancing tariffs applicable during the next balancing period (between 1<sup>st</sup> of January 2025 and 31<sup>st</sup> of December 2025).

In this context, a market consultation is organized on the proposed balancing tariffs applicable during the next balancing period.

The balancing tariffs consist of the neutrality charge, the small adjustments and the incentivizing factor.

## 2 LEVEL OF THE BELUX NEUTRALITY ACCOUNT

In accordance with CREG decision (B)150903-CDC-656G/29 and ILR regulation E15/38/ILR of 28 August 2015, the level of the BeLux neutrality account by 30 June 2024 shall be taken into account in order to determine the neutrality charge for the next tariff period.

End of June 2024, the BeLux neutrality account was standing at +6.287.057 €.

In accordance with Commission Regulation (EU) No 312/2014 (BAL NC), the level of the BeLux neutrality account is published monthly on the website of Balansys:

<http://www.balansys.eu/contracts-tariffs/>

### 3 PROPOSED BALANCING TARIFFS FOR THE NEXT BALANCING PERIOD

#### Neutrality Charge

In accordance with article 29 of BAL NC, balancing activity must be financially neutral : *“the transmission system operator shall not gain or lose by the payment and receipt of daily imbalance charges, within day charges, balancing actions charges and other charges related to its balancing activities”*.

After the neutrality account reaching 26M€ end 2022, Balansys has applied a negative neutrality charge during the 2 last years (-0,1€/MWh in 2023 and -0,05€/MWh in 2024) in order to drastically reduce the level of the neutrality account by targetting a value near to zero end 2024.

As the last estimate gives an expected positive amount by end 2024, Balansys will therefore **propose to maintain a negative neutrality charge amounting to -0,02 €/MWh for 2025** (payable to market participants pro rata to provisional exit energy allocation on domestic exit points).

If the gas price starts again to evolve with significant magnitudes and that has the consequence of deviating from the projected trajectory of the neutrality account, it is possible to introduce to the CREG and ILR a reviewed tariff proposal<sup>1</sup> – based on this consultation<sup>2</sup> – with an adapted neutrality charge.

#### Small Adjustments and Incentivizing factor

As in previous years, the number of settlements for causers remains high, even with the introduction of the incentivizing factor in 2024 which penalizes the shippers causing significant within-day imbalance. We interpret this as a sign that the market is still confident that the BeLux market-based balancing system ensures that settlements will be done at a fair price. As the end-of-day market position does not jeopardize network operations, there seems to be no need at this stage to define a higher incentive for shippers to be closer to the equilibrium end-of-day. To prevent a further possible increase of the end-of-day settlements for causers, we therefore propose to maintain the **small adjustment for main causers** at its current value of **3% and the**

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<sup>1</sup> In accordance with CREG decision (B)150903-CDC-656G/29 and ILR regulation E15/38/ILR

<sup>2</sup> For the sake of clarity, if a reviewed tariff proposal is introduced to CREG for another reason, it will be preceded by a new market consultation

**small adjustment to 0% for minor causers.** As defined in the Balancing Code, a shipper is a main causer if he uses more than 20% of the total flexibility of the market when a settlement must be done.

Concerning the within-day settlements, as some shippers use a major part of the market flexibility during the day, Balansys is still willing to incentivize these shippers to better follow their balancing position during the day. In this context, an incentivizing factor applies for the within-day settlements. This **incentivizing factor** is proposed to be maintained at **10% for main causers** and **0% for the minor causers.**

Concerning the **small adjustment for helpers** and willing to continue to incentivize the shippers to contribute to the reduction of the market imbalance, we propose to maintain its value at **0%.**

The values of the small adjustments are lower than the limit foreseen in article 22.7 of the BAL NC (10%) and can be reviewed in accordance with CREG decision (B)150903-CDC-656G/29 and ILR regulation E15/38/ILR of 28 August 2015.

This tariff proposal is without prejudice to the possibility to submit a reviewed tariff proposal in the future (at the time of the next tariffs proposal or during the next tariff period if necessary) in accordance with CREG decision (B)150903-CDC-656G/29 and ILR regulation E15/38/ILR of 28 August 2015.

## 4 INVITATION TO REACT

Balansys would like to invite all interested parties to submit any comments they may have on this document by email at following address: [marketing@balansys.eu](mailto:marketing@balansys.eu) and this before 5.00 p.m. on 9 September 2024. We also ask you to specify in your response whether the content is to be treated as confidential or not. Unless otherwise mentioned, all comments will be treated as non-confidential. In case of a confidential response, please provide also a non-confidential version.