



Consultation 4 Report

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1. INTRODUCTION

From the 27th of January 2021 until the 1st of March 2021 included, Balansys SA consulted the market on its proposed changes in the regulatory documents.

The proposed modifications in the regulatory documents aim at:

- (i) Minimum amount of the collateral
- (ii) Review of the amount of the collateral
- (iii) Monitoring of the financial exposure by Balansys
- (iv) Technical changes

2. CONSULTATION PROCESS

Balansys SA launched this 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 period from January 27th until March 1st (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, the so amended version of the Balancing Agreement, Balancing Program and Balancing Code.

3. OUTCOME OF CONSULTATION PROCESS

All comments received are listed and individually treated in the “Q&A's”, included in the consultation report submitted to CREG – see appendices.

Feedback was received from 2 individual Network Users, one of them indicated his feedback as confidential.

One Network User raises the question whether the minimum collateral of €100.000 is also needed or not if a Network User has signed an imbalance pooling service for all hubs as in such case the Network User is in balance at any time. Balansys recognises that the minimum of €100.000 is not relevant in such case and therefore this is clarified in Article 7.2.2 of the Balancing Agreement Attachment 1 General Conditions. Another Network User indicates that he understands the proposed changes about the collateral provisions, exposure risk management and implementing a minimum amount for the collateral. The Network User also finds the possibility to provide a cash deposit to quickly intervene useful but asks more clarification about the handling of such cash deposit. Balansys added clarification in Article 2.12 and an additional Article 2.13 in the Balancing Agreement Attachment 1.

After interaction with the CREG and ILR about the remarks from the Network Users some more additional changes were made to the Balancing Agreement.

- When a Network User does not comply with certain contractual obligations, it is foreseen that the Balancing Operator informs the TSOs. A sentence is added that mentions that the Balancing Operator shall also notify the concerned Network User about this event.
- In Article 7.1.2 it is clarified when the obligation to provide a Collateral for a Network User with a rating expires.
- In Article 7.1.3, if a Network Users fails to demonstrate compliance to the “Know Your Customer” policy, the Balancing Operator will not suspend the Balancing Services but he will inform the TSOs as it is the case for all other infringements. It is also defined that the Network User has twenty Business Days to show the compliance with the “Know Your Customer”.

4. APPENDICES

4.1 Appendix 1: Market consultation – public material

4.2 Appendix 2: Market consultation – confidential material