

# ANNUAL REPORT 2014



**CREG**

COMMISSION FOR ELECTRICITY  
AND GAS REGULATION





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AND GAS REGULATION

ANNUAL REPORT **2014**

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# 1. Foreword

Energy is one of the key themes of the 21st century. Energy issues are becoming increasingly complex year after year and the challenges of availability and access to energy at affordable prices for all are growing on a daily basis. In fact, the briefest period of uncertainty about energy supplies is sufficient to demonstrate clearly our vulnerability and dependence on energy at every level.

Backed by a team of enthusiastic employees, the CREG's Board of Directors is fully committed to responding to these challenges. In a context of rapid change, the CREG is being assigned more and more duties. The CREG's operations encompass three strategic priorities: liberalized activities, regulated activities and the flexibility of the energy system.

With regard to liberalized activities, the CREG's mission is to improve the operation of the market through continuous monitoring on behalf of consumers. The CREG also approves measures to make energy markets more accessible and simpler. With regard to the retail market, in 2014 the CREG paid specific attention to the proper implementation of the price comparison websites good practice charter by those service providers that signed up to it in 2013. In June, it published an evaluation report of the safety net mechanism (introduced on 1 January 2013) which showed that there had been no disruptive effect on the market and that Belgian prices had moved

towards the average of neighbouring countries. The CREG continuously monitors every component of energy prices in Belgium as this is a basic element for price comparison by the consumer. A campaign for better information for SMEs and the self-employed (a CREG strategic objective) was launched in December through a workshop.

With regard to the monitoring of wholesale prices, in 2014 the CREG conducted several studies on the energy pricing mechanisms used in supply contracts for major industrial customers. The CREG conducted these studies in order to trigger action and introduce initiatives in the event of irregularities. The CREG also devotes particular attention to the impact of wholesale market developments on retail markets.

Small and medium consumers traditionally pay less attention to the second priority, which is the regulation of transmission system activities. However, this is a strategic task to ensure the best prices and services for the consumer. Through its regulatory functions (such as approval of the tariff methodology and network access tariffs, approval of operating rules and auditing), the CREG ensures that network operators develop safe and reliable networks in the most cost-effective way, for the benefit of consumers. In this context, the CREG established its proposed tariff methodology in mid-2014 for the 2016-2019 regulatory period. It did this in constructive dialogue

with Fluxys Belgium and Fluxys LNG for the gas infrastructure and with Elia System Operator for the electricity transmission system. After consultation with market actors, at the end of 2014 this process resulted in the transmission tariff setting methodology. This new methodology is the first separate full tariff framework designed by the CREG. It introduces new elements that contribute, inter alia, to tariff objectivity and transparency and incentives for the network operators focusing on cost control and quality of service provision.

Finally, the third priority relates to support for energy transition. The CREG is responsible for encouraging the maximum development of flexibility in the Belgian market as part of effective market mechanisms and to promote innovation. To ensure the security of the country's energy supply, in early April 2014 the authorities decided to establish a strategic reserve for use in winter peak periods. Under its statutory powers in this specific case and as part of its advisory role to the authorities, the CREG issued an opinion on whether or not the price of all the bids proposed by the network operator is obviously unreasonable. In its study on the «Belgian wholesale market in the event of electricity scarcity and shortage», the CREG concludes that risks to security of supply could largely be mitigated if the energy market functioned properly and if the network was managed efficiently. In the field of offshore, the CREG has studied the possibilities of developing an offshore

network and connection of wind farms. The study brought together market players to enable the establishment of this renewable energy project, which is essential for a balanced energy mix.

The third priority is intrinsically linked to the international context. At European level, 2014 was described repeatedly as a pivotal year for the creation of the European single energy market. Through intense bilateral, regional (in the European sense of the word) and European collaboration, the CREG is seeking optimal integration of the regulatory framework of the Belgian electricity and natural gas markets. The challenges are myriad: it is necessary to work under existing legislation; at the same time, the energy systems must be allowed to prepare themselves for a low-carbon future and the end customer must be able to benefit in full from the liberalization process.

As part of its daily regulatory practice, it is up to the CREG to take up the central role of assessing, implementing and coordinating, through continuous dialogue and without prejudice to its independence, the necessary trade-offs between the different interests expressed within the complex integration dynamics of the Belgian energy markets, with the sole purpose of upholding the general interest of the country and that of the Belgian consumer. The European Commission's analyses last year clearly showed the small number of complaints, the

increased confidence and expansion of supply that moved Belgium up the European ranking of consumer markets. The CREG interpreted this as a sign of encouragement to continue to invest in integrated solutions through partnership and consultation beyond borders.



**Marie-Pierre Fauconnier**  
President of the Board of Directors  
March 2015



# 2. Key National Legislative Developments

### 2.1. Transfer of Competence to the Regions

The 2013 annual report (page 9) paved the way somewhat for the events of 2014 by announcing the enactment of the Special Law of 6 January 2014 on the Sixth State Reform. This special law included the transfer to the regions of jurisdiction over the tariffs of the electricity distribution network and the gas public distribution network; however, responsibility for the tariffs of gas and electricity networks with a transmission function and which are operated by the same operator as the transmission system remains federal. This refers notably to local and regional transmission systems.

For the other matters, federal jurisdiction over «tariffs» was confirmed and even specified, as the special legislature saw fit to indicate that this jurisdiction also includes the (social) pricing policy. «This does not undermine, according to the preparatory work, the jurisdiction of the regions over public service obligations related to their powers or their jurisdiction over distribution tariffs. » (Senate, *Doc. Parl.*, sess. 2012-2013, No. 5-2232/1, p. 103).

The special law of 6 January 2014 came into force on 1 July 2014, the date from which the CREG no longer has jurisdiction over tariff decisions in relation to distribution.

### 2.2. Strategic Reserve

The law of 26 March 2014, amending the law of 29 April 1999 on the electricity market (hereinafter: the «Electricity Law») (Official Journal dated 1 April 2014) aims to combat the risks associated with power shortages.

First, it reinforces the requirement for any electricity generation facilities whose operator envisages temporary or permanent suspension of service to provide notification thereof, if

such suspension was not foreseen in the Development Plan of the operator of the electricity transmission system. Notification of suspension of service is sent to the Minister for Energy and the suspension shall only take place after a period defined by law and outside the winter period set from 1 November to 31 March.

This notification is required for all electricity generation facilities connected to the transmission system, with the exception of nuclear power plants for industrial electricity generation.

Moreover, the law of 26 March 2014 inserts a new chapter in the electricity law (chapter *IIbis*, articles *7bis* to *7novies*), which organizes the «strategic reserve» mechanism. If a probabilistic analysis conducted annually by the operator of the electricity transmission system shows that the country's security of supply for the coming winter is threatened, the Minister may, on the advice of the Directorate General of Energy of the FPS Economy, SMEs, Middle Classes and Energy, instruct the network operator to set up, for a maximum period of three years, a «strategic reserve» and set the volume thereof.

The network operator shall procure this volume following a tendering procedure which must involve operators of generation plants<sup>1</sup> whose shut-down has been notified but has not yet taken effect or whose temporary suspension has already taken effect. Network users may also participate in this procedure through demand management bids. The terms of the procedure for establishing the strategic reserve are defined by the network operator following consultation with network users and the CREG. The operating rules of the reserve are decreed by the CREG, based on a proposal by the network operator.

Based on the tenders received, the network operator devises a technical and economic proposal containing the selected offers. The CREG is responsible for advising on whether or not

the technical and economic proposal and the bids themselves are obviously unreasonable; if the CREG's opinion is that some bids are obviously unreasonable, the King may impose prices and volumes on those bidders, to protect security of supply.

The costs associated with the implementation of the strategic reserve, including management and development costs, are covered by a tariff whose amount must be approved by the CREG, in accordance with Article 12 of the Electricity Law. Pursuant to the law of 26 March 2014, a ministerial decree of 3 April 2014 instructed the network operator to create a strategic reserve of 800 MW from 1 November 2014. This volume was increased to 1,200 MW by the Ministerial Decree of 16 July 2014 «instructing the network operator to contract an additional strategic reserve volume from 1 November 2014».

### 2.3. Offshore Energy Generation, Storage and Transport

Certain significant developments are worth mentioning in terms of offshore electricity; they concern not only the promotion mechanisms for electricity generated from marine areas over which Belgium may exercise jurisdiction, but also new provisions in relation to storage and specificities relating to energy transmission in marine areas.

#### • Generation

A Royal Decree of 4 April 2014 (Official Journal dated 4 June 2014), adopted on the CREG's recommendation, amended the Royal Decree of 16 July 2002 on the establishment of mechanisms for the promotion of electricity generated from renewable energy sources. This Royal Decree changes the support mechanism by adapting the minimum price paid by the transmission system operator for green certificates assigned to offshore electricity generation. Up until now, the purchase price has been set directly by the Royal Decree

<sup>1</sup> Except for nuclear power plants.

of 16 July 2002; henceforth, for installations whose «financial close»<sup>2</sup> comes after 1 May 2014, the purchase price will be set by applying a formula that takes account of the electricity reference price and of the LCOE (Levelized Cost of Electricity) i.e. the total annual cost to produce 1 MWh of electricity. While the LCOE amount is defined by the Royal Decree, it can be adapted by the CREG for each offshore concession during the financial close and subsequently every three years. For installations whose financial close occurs later (2017, 2020, 2023), the King may also change the LCOE.

Henceforth, the minimum purchase price of the green certificates awarded to offshore generation will therefore depend on the particular situation of each concession holder and on the electricity market price. The CREG is responsible for calculating and publishing the minimum price on a monthly basis.

Note also that if offshore generation occurs at a time when the imbalance tariff is less than or equal to -20 Euros/MWh, the minimum purchase price of the green certificate is set at 0 Euros.

The law of 8 May 2014, which will be discussed in greater detail below, provides that the CREG shall, before 30 September 2016, compare and evaluate the two support mechanisms, i.e. the obligation to purchase green certificates awarded for offshore generation, either at a fixed or variable minimum price.

#### • Storage

The Law of 8 May 2014 containing various provisions on energy (Official Journal dated 4 June, 2014), previously cited, grants the King the possibility, following a CREG opinion, to agree domain concessions «for the construction and operation of hydroelectric power storage facilities in marine areas under Belgian jurisdiction» (Art. 6/1 of the new Electricity Law). It also specified that these storage facilities cannot benefit from the support mechanism applied to offshore electricity generation (i.e. the green certificates mechanism), or any other form of State or consumer subsidy or financial support.

By decree of 8 May 2014, the King, pursuant to Article 6/1, § 2 of the Electricity Law, set the conditions and procedure for granting domain concessions for the construction and operation of these storage facilities.

#### • Transmission

The aforementioned law of 8 May 2014 contains several provisions relating to electricity transmission in marine environments.

First, this law adapts the electricity law to facilitate the conditions for the implementation of an offshore interconnection by the transmission system operator<sup>3</sup>. While, in principle, the operator must hold, with the exception of two securities, all the capital or voting rights in its subsidiaries entrusted with management of the network, i.e. the infrastructure owners, the legislature has provided specific arrangements for offshore interconnections, allowing the network manager to

create a joint venture, for example with the State's transmission system operator linked to the planned interconnection.

In this sense, the Belgian transmission system operator must possess, directly or indirectly, at least «half of the capital and voting rights attached to the securities issued by a subsidiary responsible for developing, maintaining and owning the infrastructure and equipment that are part of an offshore interconnection»

Such a waiver is without prejudice to the CREG's power of control or the provisions relating to the certification of the system operator. It is also expected that the system operator's partners in the joint venture shall comply with the provisions of European Directive 2009/72/EC relating to the unbundling of ownership structures.

The Law of 8 May 2014 also creates a domain concessions mechanism - only for the benefit of the transmission system operators - «for the construction and operation of facilities for the transmission of electricity in marine areas over which Belgium may exercise jurisdiction» (insertion of a new Article 13/1 into the Electricity Law).

Specifically, this mechanism is supposed to allow the construction and operation of an offshore grid for the transmission of the energy produced by future offshore wind farms to the grid located in the territory or to serve as the basis for an offshore European grid<sup>4</sup>. It is the responsibility of the King to define the concession conditions and procedures.

<sup>2</sup> The «financial close» is defined by the electricity law as the «point at which the official completion of financial agreements occurs with all the main interested parties, such that the installation project can be executed at the financial and economic level [ ... ]» (Art. 2, 56 °).

<sup>3</sup> Offshore interconnection shall henceforth be defined by the Electricity Law as «equipment, in the form of electrical lines or cables and high voltage substations connected to these cables and their accessories, whose main purpose is to interconnect Belgian electricity grids to the electricity grids of another State and where part of this equipment moves through marine areas over which Belgium may exercise jurisdiction» (Art. 2, 55).

<sup>4</sup> *Doc. Parl.*, Chamber, sess. 2013-2014, n° 53-3511/1, pp. 6-7.

Logically, the legislature has, at the same time, adapted the provisions of the electricity law relating to the connection of offshore wind farms to the transmission network, since these provisions had been developed with the aim of a direct connection (to be provided by the wind farm concessionaire with capped financial support from the grid operator) from the offshore farm to the territory. Whilst this mechanism remains unchanged for concessions agreed before 1 July 2007 (and which already have an effective connection), it is, however removed, for those assigned later - with the connection no longer going to the territory, but to the future offshore transmission installation - unless the King authorizes such a connection to the territory, at the request of the concessionaire. The financial contribution of the network operator to the cable cost is maintained. In such a case, the minimum purchase price of green certificates allocated to this concession is adapted, and the LCOE is increased by 12 Euros/MWh.

Furthermore, if the offshore wind farm is connected to the installation of offshore transmission, but is located at a distance of 9 km from the facility, the King shall be responsible for determining, on the proposal of the CREG, the share of the connection cost to be financed by the transmission network operator.

#### 2.4. Gas and Electricity Advisory Board

In its order No. 117/2013 of 7 August 2013, the Constitutional Court had considered that the continuation of the general board among the CREG bodies ran contrary to European Directives 2009/72/EC and 2009/73/EC, insofar as the requirement for the regulator to be independent contained therein does not allow for a body whose members include

representatives of various authorities and industry players, to be part of the management structure of the regulator.

The law of 8 May 2014, cited above, draws on the consequences of the criticism made by the Constitutional Court and replaces the General Board with a «Gas and Electricity Advisory Board», organically separated from the CREG and for which article 29*sexies* of the electricity law also stipulates to be established «with» the Minister for Energy and the CREG.

Whilst the former provisions governing the composition of the General Council are taken to the Advisory Board, the tasks of the latter are adapted. In particular, this will include the disappearance of the possibility for the General Council to set guidelines for the application of the electricity law or to ask the Board of Directors of the CREG to carry out studies or to issue opinions. In general, the legislature intended to ensure complete independence between the advisory board and the CREG.

It should also be noted that the budget of the advisory board is covered by the CREG; the two institutions may reach an agreement on this matter to address coverage arrangements and the nature of the expenses of the Advisory Board (Art. 29*sextuples*, § 4).

#### 2.5. REMIT

«REMIT» is the acronym used generally for European Regulation (EU) No 1227/2011, dated 25 October 2011 concerning the integrity and transparency of the wholesale energy market. Due to its legal nature, this regulation has been directly applicable in Belgian law since its entry into force,

on 28 December 2011. However, it required the adoption by Member States of a number of implementing measures.

The aim of REMIT is to prohibit market manipulation and insider trading in wholesale energy market transactions and to impose the publication of inside information held by market players. It puts mechanisms in place for data collection and exchange, registration of actors and market surveillance, in which ACER and the national regulatory authorities play a key role.

The implementing measures required at the national level by regulation apply essentially to the investigative and enforcement powers, the imposition of sanctions, the establishment of a right of appeal and any cooperation of other bodies, such as the national competition authority or the financial markets authority. The law of 8 May 2014 embodying various energy provisions contains these implementing measures.

First, the legislator chose, as authorised by REMIT, to involve the Belgian competition authority and the Financial Services and Markets Authority (FSMA), each according to its own responsibilities, in monitoring the wholesale energy market; in this regard, it authorized confidential information to be exchanged between these institutions and the CREG, and adapted the provisions of the electricity and gas laws on professional secrecy and the safeguarding of commercially sensitive information accordingly.

With regard to investigative powers, the CREG's power to request information from industry players as part of the exercise of its missions, is extended to the exercise of the powers conferred by REMIT: it can, firstly, also apply to any natural person and, secondly, be used to summon and question any person, supported by his/her counsel, as part of its investigation. The powers of the judicial police officers of the

CREG members, already recognized by law since 2008, are extended to researching and detecting offences against regulation 1227/2011 and the CREG is also granted the power to request phone records or wire-tapping, under the conditions set by the Code of Criminal Procedure.

Subject to authorization by an investigating judge, the CREG judicial police officers are also assigned the power to order, by a reasoned decision, the seizure of assets owned by a person under investigation based on Regulation 1227/2011 and who is or are the subject of the investigated offence or were used to perpetrate the offence in question or provide a financial advantage derived from the offence. Under the same conditions, the CREG judicial police officers may impose a temporary prohibition from exercising professional activities on a physical or legal person where there is a clear risk of infringement of REMIT.

Regarding penalties, the provisions of the gas and electricity laws in the matter of administrative fines, shall henceforth provide for the possibility for the CREG to impose fines on the person who is guilty of contravening REMIT.

At European level, the European Commission adopted, on 17 December 2014, an implementing regulation to determine the data to be reported accurately (including orders and transactions)<sup>5</sup>.

## 2.6. Federal Contribution Gas

The Law of 26 March 2014 amending the Law of 12 April 1965 on the transmission of gaseous and other products by pipeline (Official Journal, 1 April 2014) introduces important changes to the federal levy charging mechanism used to

finance certain public service obligations and costs related to the regulation and control of the gas market.

The federal levy is payable by end customers, for all quantities of natural gas they extract for their own use and which are directed from a network or a direct line.

Henceforth, it is the operator of the natural gas transmission system that pre-finances the federal levy and passes the amount on to transmission contract holders and so on, until the surcharge is billed to the customer.

The Law of 26 March 2014 also establishes a degression and capping mechanism for the federal gas contribution, as is already the case with the federal levy for electricity and the offshore surcharge. The degression and cap benefit industrial consumers who have signed a branch agreement or «covenant». The degression system involves agreeing percentage reductions of the federal contribution by consumption bracket: the higher the consumption, the greater the reduction. The maximum annual contribution (i.e. the cap) is set at 750,000 Euros. The measure is financed by the state budget. Finally, the legislator has introduced a federal contribution exemption for quantities of natural gas used for electricity generation; in the case of cogeneration plants, which produce both electricity and heat, it delegated the power to define the practical details of this exemption to the King subject to legislative ratification.

It is the Royal Decree of 2 April 2014 (Official Journal dated 25 April 2014), which establishes the terms of the federal contribution, which sets, inter alia, exemption terms and conditions for electricity generation plants using natural gas as fuel.

## 2.7. Varia

### • Safety net

A Royal Decree of 19 December 2014 (Official Journal dated 30 December 2014) extended the «safety net» mechanism established by articles 20bis of the Electricity Law and 15/10bis of the Gas Law. These provisions, included in the electricity and gas laws by the Law of 8 January 2012, contain various measures to manage, control and limit supplier increases in energy prices for household customers and SMEs on variable price contracts.

This mechanism was originally established until 31 December 2014, but it offers the King the option to extend it for three years, on the basis of an evaluation report of the mechanism by the CREG and the National Bank of Belgium.

The Royal Decree of 19 December 2014 therefore extends the safety net mechanism until 31 December 2017 and assigns the CREG and the National Bank the responsibility for producing an evaluation report on the mechanism by no later than 31 December 2015.

### • Tender procedure

The law of 15 May 2014 (Official Journal dated 2 June 2014) amends the electricity law in the matter of the tender procedure for the establishment of new electricity generation facilities and funding measures for electricity generation.

On the one hand, it contains details about the possible financial incentives included in tenders: it provides that if the tender specification contains such incentives, it must be approved by the Council of ministers. Moreover, it is expressly provided that these incentives are charged to the Ways and Means Budget if they are not covered by a surcharge or

<sup>5</sup> Commission Implementing Regulation (EU) No. 1348/2014, dated 17 December 2014, on data reporting under Article 8, paragraphs 2 and 6 of Regulation (EU) No. 1227/2011 of the European Parliament and the Council on the integrity and transparency of the wholesale energy market (OJEU of 18 December 2014).

specific levy, in accordance with Article 21 of the Electricity Law. Finally, the law specifies that such incentives are not subject to any taxation.

Furthermore, the Law of 15 May 2014 created two organic budget funds, pursuant to the law of 22 May 2003 on the organization of the budget and the State's accounts: a «flexible power generation» fund and a «North Sea wind generation» fund, whose resources will be used to mitigate the impact of the necessary measures on consumers, first, to maintain and/or develop flexible electricity generation capacity and, secondly, to enable the development of wind generation capacity in the North Sea. Both funds are supplied by the fee provided for in Article 4/1 of the Law of 31 January 2003 on the gradual exit from nuclear energy for the purposes of industrial power generation, to be paid by the owners of the Tihange 1 nuclear power plant, in return for the extension of the operating life of the plant until 30 September, 2025.

• **VAT on electricity**

The Royal Decree of 21 March 2014 amending Royal Decrees nos 4 and 20 on Value Added Tax (Official Journal dated 27 March 2014) provides for the application, from 1 April 2014, of the reduced VAT rate of 6% for the delivery of electricity to household customers.

It is expected that the Council of Ministers will assess the impact of this measure by no later than 1 September 2015.

• **Natural gas supply emergency plan**

On 14 February, 2014 the Ministerial Order of 18 December 2013, establishing the federal emergency plan for natural gas supply, was published.

This emergency plan seeks to reduce the impact of a potential disruption in natural gas consumption, to clarify the responsibilities of all stakeholders and to impose specific procedures to be followed in the event of disruption of the natural gas supply. The main objective to be achieved is to ensure gas supply to protected customers.

The decree states that the CREG shall assist the Federal Authority for the security of gas supply in the performance of its duties as a competent authority. It thus proposes measures for the Federal Authority that can be taken in the event of an emergency situation in the natural gas market. It can also prepare the necessary procedures for the implementation of emergency measures, analyse and evaluate these measures and may, at the request of the Directorate General for Energy, suggest elements to serve as the basis for a preventive action plan and an emergency plan.

# 3. The Electricity Market



## 3.1. Regulation

### 3.1.1. Power Generation

#### 3.1.1.1. Electricity Generation Permits

- **The regulatory framework**

Following the entry into force of the Law of 8 January 2012 amending the Electricity Law, the Royal Decree of 11 October 2000 on the granting of individual permits covering the establishment of electricity generation facilities is still to be reviewed. In the intervening period, the Directorate General of Energy of the FPS Economy, SMEs, Middle Classes and Energy shall investigate new applications and the CREG shall issue opinions on the basis of the Royal Decree of 11 October 2000 in force.

- **Applications submitted to the CREG**

In 2014, the CREG issued two opinions under its advisory remit in the matter of generation permits.

The CREG's first opinion<sup>6</sup> addressed Electrabel's application for an electricity generation permit to establish a farm of twelve wind turbines with total capacity of 38 MW in the municipalities of Neufchâteau and Léglise.

The CREG's second opinion<sup>7</sup> addressed the establishment by Eni Power Generation of a combined cycle gas-steam turbine (GST) power generation plant with a capacity of 450 MWe in the commune of Manage. The generation permit was granted by Ministerial Decree of 14 July 2014 (Official Journal of 31 July 2014).

In 2014 there was no notification of change of shareholding control of holders of a generation licence.

#### 3.1.1.2. North Sea Energy Generation

##### A. Domain concessions for offshore wind energy

- **The regulatory framework**

Applications for domain concessions for the construction and operation of installations for the generation of electricity from water, current or wind, in marine areas over which Belgium can exercise its jurisdiction are handled by the Minister for Energy. The latter will forward the request to the relevant authorities and to the CREG, which assess the technical dossier related to the application and issue an opinion. Following consultation with the Transmission System Operator, It then transmits its suggestion to grant or refuse a domain concession to the Minister.

On 20 March, 2014, a Royal Decree on the establishment of the development plan for marine areas (Official Journal 28 March 2014 + erratum of 7 April 2014) was enacted<sup>8</sup>.

The Law of 8 May, 2014 also creates a domain concessions mechanism - for the sole benefit of the transmission system operators - for the construction and operation of electricity transmission facilities in marine areas of the North Sea (see 2.3 hereof).

- **Applications submitted to the CREG**

On 13 February 2014, the CREG issued a favourable opinion<sup>9</sup> (conditional on the applicant demonstrating that it has valid civil liability insurance in respect of the facility or on an undertaking to take out such insurance) on the application by the Seastar temporary company for transfer to the limited company Seastar, of the domain concession that had been granted by the Ministerial Decree of 1 June 2012.

On 30 July 2014, the CREG issued an opinion<sup>10</sup> to the Directorate General of Energy on the change request for the domain concession assigned to the temporary company Mermaid. The Mermaid application related to the postponement of the establishment of the provision for decommissioning of the offshore wind farms given the basic assumptions underlying the reform of the support mechanism for energy produced by offshore wind power. The opinion of the CREG was positive, on condition that the amount originally planned for the decommissioning is maintained.

6 Opinion (E)140130-CDC-1308 on the granting of an individual permit for the extension of a power plant (wind farm) to Neufchâteau-Léglise by Electrabel SA..

7 Opinion (A)140123-CDC-1301 on the granting of an individual permit for the establishment of a power plant in Manage by Eni Power Generation S.A..

8 In October 2013, the CREG issued an opinion on various provisions in the draft royal decree (see annual report 2013, p. 13).

9 Opinion (A)140213-CDC-1313 on the application, filed by the temporary company Seastar, to transfer the domain concession for the construction and operation of wind power generation plants in marine areas, which had been granted by Ministerial Decree of 1 June 2012, to Seastar S.A.

10 Opinion (A)140730-CDC-1357 on the application to change the domain concession for the construction and operation of wind power generation plants in marine areas, granted to the temporary company Mermaid by Ministerial Decree of 20 July 2012.

On 20 November 2014, the CREG sent its comments to the Directorate General for Energy at the request of the temporary company Mermaid for the granting of a permit for an electrical cable installation in the North Sea for the connection of wind turbines to the alpha offshore node of the Transmission System Operator or to the onshore network.

Finally, on 10 December 2014, the CREG issued an unfavourable opinion<sup>11</sup> on the application for an extension of the domain concession granted to Belwind by Ministerial Order of 5 June 2007 (already amended in 2009 and 2012) to launch the second phase of the offshore wind farm. The CREG however was in favour of a limited extension of the domain concession to enable, inter alia, funding of the second phase of the project in good conditions.

#### B. Green certificates

##### • The regulatory framework

Readers are referred to 2.3. hereof on the amendment of the offshore electricity generation framework.

##### • Applications submitted to the CREG

Northwind made two applications in 2013 and seven applications in 2014 for green certificates for electricity generated by seventy-two additional wind turbines in the North Sea. The CREG took five decisions<sup>12</sup>, all positive, in this matter.

In March 2014, the CREG also approved<sup>13</sup> a proposal to modify the contract between Elia and Belwind for the purchase of green certificates for electricity generated from offshore wind energy.

##### • Change in installed capacity in generated offshore wind and green energy

In 2014, compared to 2013, total installed capacity in offshore wind turbines increased by 141 MW to a total of 707.1 MW.

This increase is due to the commissioning of 47 wind turbines with a capacity of 3 MW, in the first half of 2014, by Northwind. An Alstom demonstration turbine (a 6 MW Haliade 150 ) was also installed in late 2013 in the Belwind domain concession, but was not yet operational as of 31 December 2014.

Table 1 provides an overview of the rated power of offshore wind farms – existing and under construction.

In 2014, all offshore wind farms together injected 2,155 GWh into the onshore transmission network. Net production (before transformation) of all certified offshore wind turbines amounted to 2,221,311 GWh for 2014.

Table 1: Rated output of offshore wind farms, existing and under construction in 2014 (Source: CREG)

Wind farm name	Capacity start 2014	Capacity end 2014	Total wind farm capacity
Belwind	165.0 MW	165.0 MW	336.0 MW
C-Power	326.1 MW	326.1 MW	326.1 MW
Northwind	75.0 MW	216.0 MW	216.0 MW
<b>Total</b>	<b>566.1 MW</b>	<b>707.1 MW</b>	<b>878.1 MW</b>

11 Opinion (A)141210-CDC-1391 on the application to extend the domain concession for the construction and operation of wind power generation plants in marine areas (Bligh Bank), granted to Belwind S.A. by Ministerial Decree of 05 June 2007 and amended by Ministerial Decrees of 5 February and 10 September 2012.

12 Final Decision (B)140213-CDC-1302 on the application filed by Northwind for the granting of green certificates for electricity generated by wind farms A01, A02, A03, A04, A05, A06, A07, A08, A09, C01, C02, C03, C04, C05, C06, C07, C08, C09 and C10; Final Decision (B)140313-CDC-1314 on the application filed by Northwind for the granting of green certificates for electricity generated by wind farms B01, B02, B03, B05, B06, B07, D01, D02, D03, D04, D05, D06, D07, D08 and D09; Final decision (B)140430-CDC-1320 on the application filed by Northwind for the granting of green certificates for electricity generated by wind farms E01, E02, E03, E04, E05, E06, E07, E08, E09, F01, F02, F03, F04, F05, F06, F07, F08, F09 and F10 ; Final decision (B)140619-CDC-1333 on the application filed by Northwind for the granting of green certificates for electricity generated by wind farms G01, G02, G03, G05, G06, G07, G08 and G09 ; Final decision (B)140717-CDC-1340 on the application filed by Northwind for the granting of green certificates for electricity generated by wind farms B04, G04, H01, H02, H03, H04, H05, H06, H07, H08 and H09.

13 Final decision (B)140327-CDC-1282 on the application for approval of the draft contract for the purchase of green certificates between Elia System Operator S.A. and Belwind S.A.

Figure 1: Change in offshore wind power installed capacity between April 2009 and December 2014 (Source: CREG)

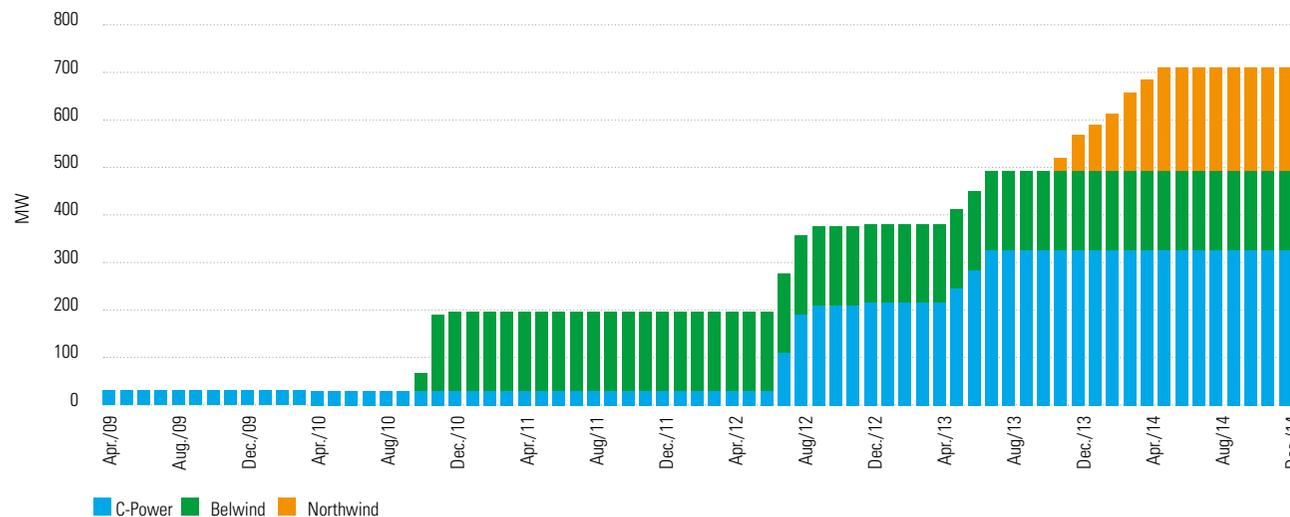


Figure 2: Net production of offshore green electricity per wind farm on a monthly basis in 2014 (Source: CREG)

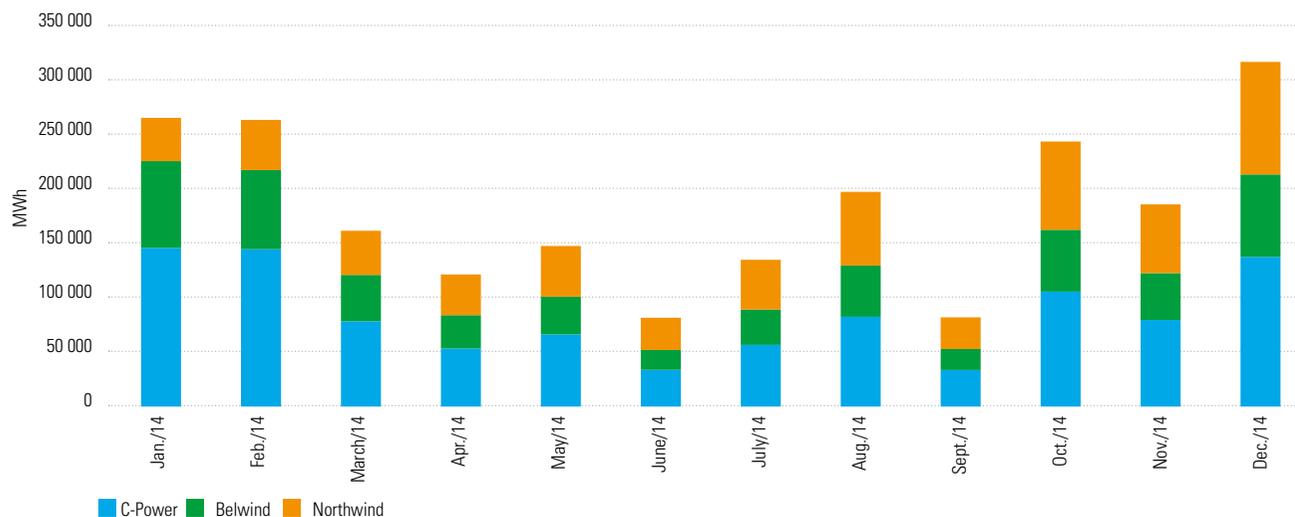


Figure 2 shows the net energy generated by the domain concession holder and the number of green certificates issued by the CREG for the generation in question between January 2014 and December 2014, where the holder of a domain concession was granted a green certificate per MWh produced. In 2014, the three offshore wind farms together reached net generation of 2,221,311 MWh for which green certificates worth 231,557,300 Euros were granted.

- Guidelines on the application of the procedure for determining the amounts to be taken into account for fixing the minimum price per green certificate for offshore wind energy

After a bilateral consultation with the *Belgian Offshore Platform* (BOP) in September 2014, the CREG established guidelines<sup>14</sup> for the application of the procedure for determining the values to be taken into account for fixing the minimum price per green certificate for offshore wind energy. The guidelines include procedures for the filing of the application, its review by the CREG and the setting of the minimum price per domain concession.

They were developed as part of the support for the offshore wind energy generated by plants which are covered by a domain concession referred to in Article 6 of the Electricity Law but whose financial close is after 1 May 2014. The new support mechanism described in the Royal Decree of 16 July 2002, as amended 4 April 2014, is described in 2.3. hereof.

14 Guidelines (R)141023-CDC-1371 on the application of the procedure for determining the amounts to be taken into account for fixing the minimum price per green certificate for offshore wind energy.

### C. Guarantees of origin

Under the Royal Decree of 30 July 2013, the CREG is entrusted with the task of issuing guarantees of origin for electricity generated offshore. Furthermore, the CREG shall maintain a database holding all information on guarantees and the transactions to which they apply. Given that no supplier or consumer is active in the Belgian offshore area, guarantees of federal origin cannot be used «locally» to provide information to consumers about the source of their electricity (hereafter: «*disclosure*»). Therefore, the CREG paid particular attention from the start to the recognition of guarantees of federal origin so that they can be used for the fuel mix of the three regions and of other European countries.

The CREG submitted an application for membership of the *Association of Issuing Bodies* (AIB). This is an association organizing a hub for the exchange of guarantees of origin and certificates of the same type following standardized procedures. Ease of exchange is based on a set of detailed rules, the EECS Rules, which shall guarantee maximum reliability and be complementary to national and European regulations. Following its application, the CREG shall draft a number of documents (*Domain Protocol, Standard Terms & Conditions*) to implement these rules in a manner that is consistent with the existing regulatory framework. These documents shall be signed by the market players to obtain access to the hub via the CREG. In September 2014, the CREG submitted a first draft of these documents, but the *review process* was not yet finalized by the end of the year.

Given the duration of the AIB membership process, the CREG also initiated direct dialogue with regional regulators to ensure that guarantees of federal origin can circulate in Belgium. The result of this constructive engagement is outlined in the general terms and conditions of the database of guarantees of origin. In December 2014, the CREG received two applications for registration of which one was approved in 2014. Applications for the granting and cancellation of guarantees of origin could be made through the forms posted on the CREG website. The operations as such are recorded on the IT platform, which also became operational during 2014.

### D. CREG offshore study

In April 2014, the CREG examined<sup>15</sup> the technical and economic aspects and final cost to be paid by the Belgian electricity consumer for the connection of the remaining domain concessions granted to Norther, Rentel, Seastar and Mermaid/Northwester II.

### E. Hydroelectric power storage

The Royal Decree of 8 May 2014 on the conditions and procedure for granting domain concessions for the construction and operation of hydro power storage facilities in marine areas over which Belgium may exercise jurisdiction in accordance with the international law of the sea (Official Journal 6 June 2014)<sup>16</sup> assigns the CREG the remit of providing an opinion on the assessment of the technical dossier compiled in relation to the domain concession application. This

opinion may propose that technical conditions be imposed. The CREG was also assigned the task of issuing an opinion on any application for sale, total or partial transfer, sharing and leasing of the domain concession but also in the event of expiry or withdrawal as a result of forfeiture or waiver (see 2.3. hereof).

Examination of the domain concession application filed by the temporary company iLand for the construction and operation of hydro power storage facilities on the Wenduinebank was still under review as of 31 December 2014.

### F. The *Belgian Offshore Grid* and PLUG AT SEA

During 2014, the CREG attended several meetings of the *Belgian Offshore Grid* (mesh network in the North Sea) and PLUG AT SEA (company bringing together offshore wind players). During the final quarter of 2014, at the initiative of the CREG, two meetings were convened with stakeholders (Elia and offshore wind farms) to discuss future developments in this case.

#### 3.1.1.3. Call for Tenders for the Establishment of New Power Generation Facilities

The reader is referred to 3.4.5.2. hereof.

<sup>15</sup> Study (F)140430-CDC-1321 on the connection of planned offshore wind farms in marine areas over which Belgium may exercise jurisdiction in accordance with the international law of the sea.

<sup>16</sup> In July 2013, the CREG had issued an opinion on the determination of the two areas for the establishment of such storage facilities (see 2013 Annual Report, 2013, pages 12-13).

### 3.1.2. Electricity Supply

#### 3.1.2.1. Supplying Customers Connected to the Transmission Network

The following table shows the market share of Electrabel and other suppliers regarding net electricity provision<sup>17</sup> to major industrial customers connected to the federal transmission system (voltage above 70 kV).

According to a first estimate, Electrabel's market share stood at 62.6% in 2014, up 14.9% on 2013. This change contrasts markedly with the rapid deterioration of market share recorded between 2011 and 2013. Compared to 2013, the total volume of energy offtake in 2014 by final customers of the transmission system increased by 5.57% (724 GWh), exceeding all previous years of the period studied with the exception of 2007

Federal permits for electricity supply to customers connected directly to the transmission system are granted by the Minister of Energy at the proposal of the CREG for a period of five years.

In 2014, the CREG received seven permit applications, from Electrabel, Eni, Total Gas & Power Belgium, EDF, Luminus, RWE Supply & Trading, E.ON Belgium and Marcinelle Energy of which five were recommended for approval by the CREG<sup>18</sup>.

During 2014, the Secretary of State for Energy issued an individual electricity supply permit to GETEC Energie AG, Electrabel SA, Eni S.p.A., EDF Luminus SA, Total Gas & Power Belgium SA, RWE Supply & Trading GmbH.<sup>19</sup>

Table 2: Energy offtake by customers connected to the federal transmission system, 2007 to 2014 (Sources : Elia, CREG)

Suppliers		Electrabel S.A.		Other suppliers		Total
Access points at	1/01/2014	49		40		<b>85*</b>
	31/12/2014	47		41		<b>84*</b>
Energy offtake (GWh)	2007	12,469	(87.7%)	1,743	(12.3%)	<b>14,211</b>
	2008	11,470	(84.0%)	2,183	(16.0%)	<b>13,654</b>
	2009	10,807	(87.6%)	1,526	(12.4%)	<b>12,333</b>
	2010	12,163	(88.7%)	1,551	(11.3%)	<b>13,714</b>
	2011	11,693	(90.2%)	1,265	(9.8%)	<b>12,958</b>
	2012	8,247	(67.0%)	4,069	(33.0%)	<b>12,316</b>
	2013	7,484	(57.6%)	5,519	(42.4%)	<b>13,004</b>
2014	8,598	(62.6%)	5,130	(37.4%)	<b>13,728</b>	

\* As four access points have been supplied at the same time during 2014 by two suppliers, the total number of access points is generally lower by four units than the total number of access points of all suppliers.

#### 3.1.2.2. Maximum Prices

##### • For unprotected customers whose supply contract has been terminated

The maximum prices applicable by the distribution system operators to unprotected customers whose supply contract has been terminated (also termed «dropped customers») are calculated and verified by the CREG every six months, as follows: price of energy + transmission + distribution + margin. The CREG is responsible for setting the rules for calculating the margin (these have not been modified since they were last revised in May 2013, see Annual Report 2013, page 17).

In 2014, for the first time, in particular to provide consumers with access to clear information to verify and better understand their bills, the CREG published energy prices, network

tariffs and surcharges applicable to dropped customers on its website, for each distribution system operator.

##### • For protected household customers on low incomes or in precarious situations

Under current legislation, the CREG calculated and published the social and reference tariffs applicable from 1 February 2014 to 31 July 2014 and from 1 August 2014 to 31 January 2015 for the supply of electricity to protected household customers on low incomes or in precarious situations.

The CREG also evaluated the amount necessary for the supply of the protected customers electricity fund which is the basis of calculation of the protected customer component of the federal contribution (see 5.9.2.E hereof).

<sup>17</sup> These figures do not take account of the energy supplied directly by local production or customers located in the Grand Duchy of Luxembourg.

<sup>18</sup> Proposal (E)140515-CDC-1332 on granting an electricity supply permit to Electrabel S.A.; Proposal (E)140710-CDC-1347 on granting an electricity supply permit to Eni S.p.A.; Proposition (O)140717-000-1354 on granting an electricity supply permit to Total Gas & Power Belgium SA ; Proposal (C)140717-CDC-1353 on the renewal of the electricity supply permit held by EDF Luminus; Proposal (E)140918-CDC-1364 on granting an electricity supply permit to RWE Supply & Trading GmbH.

<sup>19</sup> Respectively by Ministerial Decree of 14 January 2014 (Official Journal of 29 January 2014), 26 June 2014 (Official Journal of 14 July 2014), 18 July 2014 (Official Journal of 1 August 2014), 25 August 2014 (Official Journal of 15 September 2014) and 1 December 2014 (Official Journal of 11 December 2014).

### 3.1.2.3. Evolution and Fundamentals of Electricity Prices

In 2014 the CREG continued to issue its monthly publication, in the form of a dashboard, which it launched in September 2012. This publication seeks to inform all stakeholders of important developments in factors influencing the price of electricity.

In the wholesale market, the CREG mainly follows changes in a number of key parameters in the formation of the price of electricity and natural gas in the Belgian and neighbouring stock markets (Germany, France, Netherlands).

For the retail market, the CREG shows trends by region, of the all-in price of electricity and natural gas in Belgium:

- DC electricity household customers (3,500 kWh/year, single-rate meter)
- T2 gas household customers (23,260 kWh/year)
- social customers
- dropped customers
- SMEs

The CREG also compares the average all-in price of electricity and natural gas for DC electricity, household T2 gas customers and SMEs in Belgium and neighbouring countries (Germany, France, the Netherlands and the United Kingdom).

The following are some trends observed in 2014:

- From April 2014, VAT on all components of energy bills for household electricity customers was reduced from 21 % to 6% and the federal contribution (electricity and natural gas) for household customers was waived;
- From September 2014, the federal contribution for natural gas was increased;
- In France, the «Natural Gas Consumption Domestic Tax» (TICGN) increased from April 2014, with an exemption for household customers;
- In Germany, a new electricity tax was applied in early 2014.

### 3.1.3. Transmission Regulation and Distribution

#### 3.1.3.1. Unbundling and Certification of the Transmission System Operator

In 2014, changes were also made to the legislation on the certification procedure by the law of 8 May 2014 (Official Journal of 4 June 2014) (see paragraph 2.3. hereof).

As part of its remit of continued monitoring of compliance by the transmission system operator with the unbundling requirements, in 2014 the CREG checked the appointments of two new members to the Board of Directorss of Elia System Operator and Elia Asset (see also item 3.1.3.2. below). The CREG also checked the appointments of three new independent directors to the boards of directors of Elia System Operator and Elia Asset (see also 3.1.3.2. below) and the appointment of two new non-independent directors to these boards.

As part of the same remit, the CREG sent several letters to Elia System Operator about its new subsidiary Elia Grid International S.A. («EGI») founded in 2014. The CREG thus raised questions about tariffs and on monitoring of ongoing compliance with the requirements of the ownership unbundling model by the transmission system operator. The CREG specifically asked Elia, in writing, to send it a series of documents and information. Several working meetings were also held with Elia about this matter.

Finally, the CREG set up a general «unbundling monitoring» pursuant to Article 23, § 1, 31° of the Electricity Law. Beginning in 2015, the CREG sent a letter to that effect to Elia System Operator, to obtain information on changes since its original certification as a transmission system operator in December 2012 that may have had an impact on the certification. The CREG is thus seeking to set up a systematic and general annual unbundling monitoring to be developed in consultation with the transmission system operator and based on experience.

### 3.1.3.2. Corporate Governance

The CREG considered the 2013 business report of the Corporate Governance Committee of Elia System Operator and Elia Asset (monitoring the application of Articles 9 and 9ter of the Electricity Law and Evaluation of their efficacy in relation to the objectives of independence and impartiality of the transmission network operator).

The CREG also considered the report of the Compliance Officer on compliance with the engagement programme by members of the staff of Elia System Operator and Elia Asset in 2013. The engagement programme seeks to guarantee the exclusion of all discriminatory treatment of grid users and/or categories of users.

In June 2014, the CREG checked the appointments of two new members of the management boards of Elia System Operator and Elia Asset, first as part of its remit to monitor continued compliance by the network operator with the unbundling requirements and, secondly, as part of its general remit to monitor compliance by the transmission system operator with its obligations under the Electricity Law and its implementing regulations.

In July 2014, the CREG issued favourable opinions on the independence of three new independent directors on the boards of directors of Elia System Operator and Elia Asset.

In September 2014, the CREG also checked the appointments of two new non-independent directors to the boards of directors of Elia System Operator and Elia Asset as part of its remit to monitor the network operator's constant compliance with the unbundling requirements.

### 3.1.3.3. Technical Operation

#### A. Connection and access

On 29 August 2014, the CREG approved<sup>20</sup> Elia's request to adapt the terms and conditions of contracts of access managers to bring them into line with the strategic reserve mechanism included in the Law of 26 March 2014 which modifies the Electricity Law. The adjustments are limited to what was strictly necessary in the context of the strategic reserve (see also 3.4.5.1. hereof). The changes were subject to public consultation by Elia.

#### B. Ancillary and balancing services

##### • Reserve capacity

Elia must evaluate and determine the primary, secondary and tertiary reserve capacity that contributes to ensuring the security, reliability and efficacy of the transmission system in the control area. It must send its assessment methodology and its result to the CREG for approval.

In May 2014, the CREG submitted for consultation a draft decision on the request for approval by Elia of the method of evaluation and determination of the primary, secondary and tertiary reserve capacity for 2015. In June 2014, the CREG approved<sup>21</sup> the Elia proposal, while matching it with considerations applying in particular to information made available to the market by Elia, on prior knowledge of the availability and prices of the reserve between transmission system operators, on

participation in the demand for different types of reserves, on the need for participation of nuclear units in controls and the importance of continuing consultation with other stakeholders on product design and market operating rules.

##### • Price bids and volumes for ancillary services

In order to ensure the security, reliability and efficiency of the transmission system, Elia must be able to have constant access to a number of ancillary services whose terms are set forth in the technical regulation of 19 December 2002 for the management of the transmission network and access thereto.

It has proved difficult since the start of the regulation to acquire a number of these services, in particular to acquire a sufficient volume of reserve capacity at a reasonable price to ensure primary and secondary control, given that there is only one buyer in Belgium (Elia) and a very limited number of sellers. The promulgation of a royal decree imposing price and supply conditions for the provision of primary and secondary control in 2013 therefore proved necessary (see Annual Report 2012, page 46).

Encouraged to do so by the CREG in particular, Elia made significant efforts to develop the ancillary services market, especially for reserve capacity, in such a way as to reduce their price, including by enabling more market stakeholders to participate in auction procedures.

The main change for 2014 is a partial shift in time horizons of primary and secondary control capacity calls for tender

(annual vs monthly): as a trial, a volume of 20 to 30% of these control capacities has been offered on a monthly basis. Following the 2014 success of the partial shift in the time horizon of the primary and secondary control capacity tenders, the CREG approved<sup>22</sup> an Elia proposal to acquire 100% of the volume of primary and secondary control capacities via monthly tenders from 1 January 2015.

The other major development in the ancillary services market that CREG approved<sup>23</sup>, and which will enter into force on 1 January 2015 was the increase from 50 MW to 100 MW of the maximum limit of tertiary control provided by the profile control services, via the R3 Dynamic Profile, enabling end customers and aggregators<sup>24</sup> to provide tertiary reserve capacity from resources connected to either the Elia transmission network or to the distribution systems, including consumption curtailing resources.

Furthermore, in order to maintain the above-mentioned cost increases at a reasonable level, the Electricity Law requires Elia to annually submit a report to the CREG on proposed prices for the supply of ancillary services. The CREG then indicates and explains, based on six criteria, whether or not the suggested prices are obviously unreasonable. On 2 July 2014, the CREG received the Elia report on the price bids for the tertiary reserve by the production units (R3 production) and compiled its own report<sup>25</sup> on 11 September 2014. The CREG established that the prices of selected bids were not obviously unreasonable because all evaluation criteria were observed by the combination of deals selected by Elia. On

<sup>20</sup> Final decision (B)140829-CDC-1360 on amendments to the general conditions of the access managers' contracts, proposed by the network operator.

<sup>21</sup> Final decision (B)140626-CDC-1328 on the request for approval of the method of evaluation and determination of the primary, secondary and tertiary reserve capacity for 2015.

<sup>22</sup> Decision (B)140515-CDC-1331 on the proposal of Elia System Operator S.A. on the operating rules of the market in relation to compensation of quarter hourly imbalances which came into force on 1 January 2015.

<sup>23</sup> *Ibidem*.

<sup>24</sup> Market stakeholders that pool (aggregate) different access points (injection and/or offtake) in order to benefit from the cumulative effect necessary for their involvement in certain markets, in particular the energy (commodity), reserve capacity and flexibility markets.

<sup>25</sup> Report (RA) 140 911 CDC-1361 on the obvious unreasonableness or otherwise of the prices offered to Elia System Operator S.A. for the supply of ancillary services for operating year 2015.

3 October 2014, the CREG received a report from Elia on the prices offered for the supply of the tertiary reserve by the profile adjustments services (R3 Dynamic Profile) and via interruptible offtakes (R3 ICH) for the 2015 operating year. In its report of 16 October 2014<sup>26</sup>, the CREG concluded that prices of the R3 ICH and R3 Dynamic Profile bids were not obviously unreasonable.

The results of the R3 production and R3 Dynamic Profile tenders carried out in 2014 led to the contracting of 60 MW of R3 Dynamic Profile, enabling a reduction of 550,548.48 Euros in the cost of R3 as a whole.

On 18 December 2014, the CREG sent the Minister of Energy a positive opinion<sup>27</sup> on the draft royal decree imposing procurement price and supply conditions in 2015 for tertiary control by different producers.

#### • Balancing

The TSO is responsible for monitoring, maintaining and, if needs be, re-establishing the balance between supply and demand for electrical power in the control area, amongst other things further to any individual imbalances caused by the various access-responsible parties. Elia has to submit a proposal for operating rules of the market for offsetting 15-minute imbalances to the CREG for approval.

In January 2014, Elia introduced a proposed change to the market's operating rules regarding the offsetting of 15-minute

imbalances. Apart from certain cosmetic aspects, the main change from the previous version is a lowering of the threshold for consideration of offers in the short term reserve auction from 5 MW to 1 MW. The CREG, following market consultation, approved Elia's proposal by decision of 28 February 2014<sup>28</sup>. The new rules came into force on 1 April 2014.

In May 2014, Elia put forward a second proposal for a change in market operating rules in relation to off-setting quarter-hourly imbalances. This proposal from Elia arose after a wide-ranging consultation of market stakeholders as part of Elia's Users' Group. The Elia proposal was structured around three main priorities: the shift to short-term auctions for all primary and secondary reserve products, a lowering of the threshold for consideration of bids in relation to long-term products from 5 MW (currently) to 1 MW (proposed value) and the development of the tertiary reserve product of the adjustment profile services. The CREG approved Elia's proposal by decision of 15 May 2014<sup>29</sup>. The new rules came into force on 1 January 2015.

Finally in August and September 2014, Elia put forward a third proposal for a change in market operating rules in relation to off-setting quarter-hourly imbalances. The proposal focused on three key areas: participation of the Belgian control area in the IGCC (International Grid Control Cooperation), alignment with the strategic reserve operating rules and the introduction of a maximum value limiting the activation bid prices of certain tertiary reserves. The CREG, following market consultation, approved Elia's proposal by decision of 23 October 2014<sup>30</sup>.

The new rules came into force partially in 2014 and fully on 1 January 2015.

#### • Volumes activated and concentration of bids

In 2013, activations to offset imbalances in the control area fell by 11.6% compared with 2012, totalling 984 GWh<sup>31</sup>. The proportion of secondary reserves in these activations reached 51.2% in 2014, compared with 54.8% in 2013 and 56.9% in 2012. This reduction is mainly due to the notable increase in the offsetting of imbalances as part of the IGCC, which increased by 80.1% (317 GWh) for 2014 compared with 2013 (176 GWh).

In 2014, no activation of reserves took place abroad by transmission system operators, while such activations accounted for 0.3% of Elia's activations to offset control area imbalances in 2013 (fictitiously including offsetting activation under IGCC in the total). (Source: Elia data)

The HHI index relating to bids of secondary and tertiary reserves on the generating plants amounted to 4,251 in 2014 compared to 3,266 in 2013 and 2,974 in 2012. Activations relating to these resources account for 100.0% of the total power activated in 2014 to offset imbalances in the control area, whereas they accounted for 99.6% in 2013 compared with 98.0% in 2012. This increase in the HHI index can be explained by the increase in the relative participation of Electrabel and EDF Luminus, and thus the relative reduction in

26 Report (A)141016-CDC-1380 relating to obvious unreasonableness or otherwise of the prices offered to Elia System Operator SA for the provision of ancillary services, i.e., the tertiary control products of the profile adjustment and tertiary control services via interruptible offtakes for the 2015 operating year.

27 Opinion (A)141218-CDC-1394 on the draft royal decree imposing procurement price and supply conditions in 2015 for tertiary control by different producers.

28 Final decision (B)140228-CDC-1310 on the proposal of Elia System Operator S.A. on the operating rules of the market in relation to offsetting quarter hourly imbalances.

29 Decision (B)140515-CDC-1331 on the proposal of Elia System Operator S.A. on the operating rules of the market in relation to compensation of quarter hourly imbalances which came into force on 1 January 2015.

30 Final decision (B)141023-CDC-1372 on the proposal of Elia System Operator S.A. on adapting the operating rules of the market in relation to offsetting quarter hourly imbalances.

31 By synthesizing the activations in the opposite direction of the secondary reserves within the same quarter hour, consistent with data from previous years..

participation from other stakeholders in the production reserves market.

#### • Price of Offsetting Individual Imbalances

The imbalance tariff is based on a single-price system that takes account of the direction of the imbalance of the access-responsible party and the direction of the imbalance in the control area.

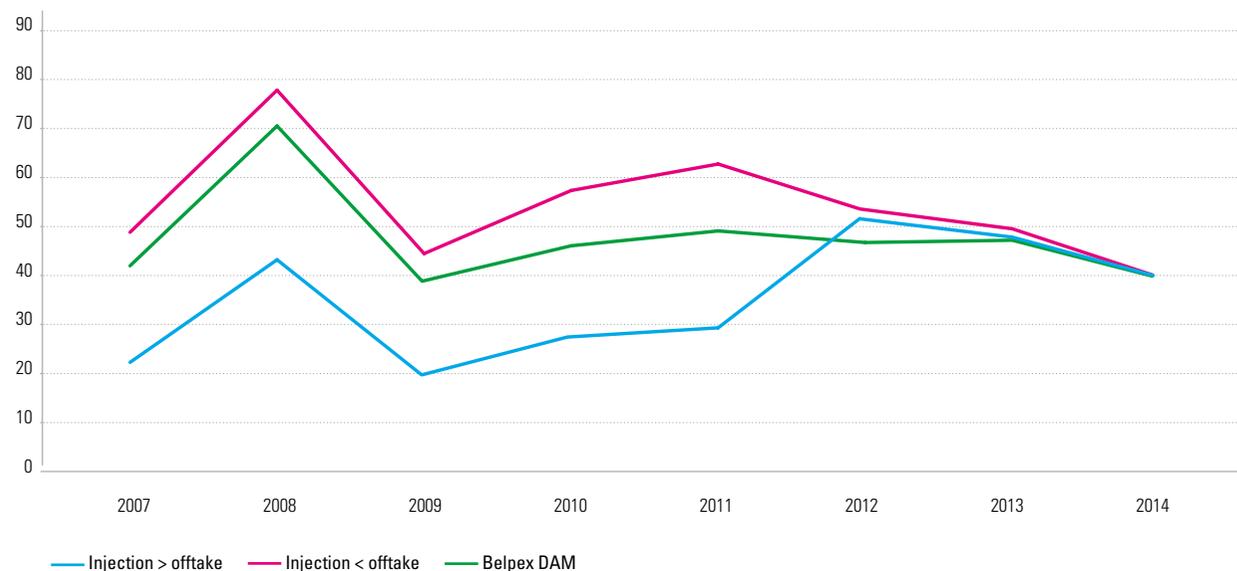
Table 3 provides an overview of the trend in the average tariff (unweighted) for positive imbalances (injection > offtake) and for negative imbalances (injection < offtake) of the access responsible parties for the period 2007-2013.

Figure 3 can be used to compare these average prices with the trend in average prices on the Belpex day-ahead market over the same period. A switch may be observed from dual pricing until 2011 to single pricing from 2012, with a slight difference between the negative imbalance price and that of the positive imbalance, devised as an incentive to discourage gaming. In 2012 and 2013 these two prices were very similar and were, on average, higher than the average price of the Belpex DAM, but the difference from the Belpex DAM price shrank between 2012 and 2013. In 2014, these two prices straddle the Belpex DAM price.

Table 3: Average unweighted imbalance tariff during the period 2007-2014 (Source: Elia data)

Euros/MWh	2007	2008	2009	2010	2011	2012	2013	2014
Injection > offtake	22.09	43.24	19.86	27.76	29.22	51.84	47.91	40.33
Injection < offtake	48.64	77.92	44.25	57.24	62.70	54.05	49.36	41.07

Figure 3: Average unweighted imbalance tariff and Belpex DAM price during the period 2007-2014 (in €/MWh) (Sources: Elia and Belpex data)



### C. Rules on grid security and reliability and standards for quality of service and supply

Over the course of 2014, the CREG took various initiatives concerning the security and reliability of the electricity grid.

The CREG contacted Elia to encourage the continuation of Coo-Tihange tests. The CREG also advised Elia on improvements to be made to Black- Start contracts as they are renewed at the end of 2015.

### D. Time taken by the transmission system operator to carry out connections and repairs

On the federal transmission system, the AIT (Average Interruption Time) was 3 minutes 12 seconds (2 minutes 45 seconds in 2013) and the AID (Average Interruption Duration) was 59 minutes 25 seconds (19 minutes 48 seconds in 2013).

There were 66 incidents on the transmission system in 2014. As the network is configured as a meshed grid, such incidents do not usually result in customer supply interruptions. In 52% of cases, automatic reconnection is attempted. These attempted automatic reconnections were successful in 91% of cases on the 380 kV and 220 kV systems, and in 83% of cases on the 150 kV network.

In 17 cases, a connection to the federal transmission network was unavailable for more than 24 hours. The unavailability times for these connections were between 24 hours and 198 hours.

### E. Safeguarding Measures

The reader is referred to 3.4.5. hereof, which addresses in particular the load shedding and strategic reserve plan which are among the measures that may be implemented as part of the safeguarding plan.

#### 3.1.3.4. Network Tariffs

##### A. The transmission system

##### a) Tariff Methodology

As announced in its annual report 2013 (page 22), the CREG adopted, on 18 December 2014, the decree<sup>32</sup> setting a tariff methodology for the electricity transmission network and electricity networks with a transmission function, as provided for in Article 12 § 2 of the Electricity Law, for application during regulatory period 2016-2019.

This tariff methodology includes the rules that the transmission system operator, Elia System Operator, must meet for the preparation, drafting and introduction of its tariff proposal for the regulatory period 2016-2019, to be used by the CREG to approve the tariffs derived from it. The tariff decree also includes three annexes, namely the report templates to be used by the system operator, a description of the transmission services and tariffs and the NEMO tariff methodology.

The new tariff methodology contains a number of provisions that have already proved effective in previous regulatory periods. Moreover, a number of changes have been made and new elements have been added, including:

- 1) a number of incentives for market integration (working volume of interconnection capacity and measured increase in economic well-being), quality improvement (efficient and opportune investment), guaranteed transmission (minimum interruptions) and technological research and development (see Articles 20 to 28);
- 2) the continued transition to tariffs directly related to services provided by the system operator (see part IV);
- 3) the transition of tariffs fixed for the entire regulatory period and nominally identical to the tariffs set for the whole regulatory period, but that can be changed on an annual basis (see Article 4, § 5).

As a prelude to this decree, the CREG undertook several actions.

In January 2014<sup>33</sup>, it entered into an agreement with Elia on the procedure for adopting the tariff methodology for the management of the electricity transmission system and another on the procedure for the introduction and approval of tariff proposals and tariff changes.

In August 2014, in accordance with the Electricity Law (and with the gas law), the CREG, following consultation with the companies concerned<sup>34</sup>, published guidelines<sup>35</sup> identifying information to be considered confidential due to its commercial sensitivity or personal nature. Regarding commercially sensitive information, the CREG applies the general criteria set out in Article 39.2 of the TRIPs Agreement<sup>36</sup> on aspects of intellectual property rights relating to trade, outlined, in turn, in a recent proposal for a directive tabled by the European Commission. With regard to personal information, the CREG refers to the definition provided in Article 1 of the Law

<sup>32</sup> Decree (Z)141218-CDC-1109/7 setting the tariff methodology for the electricity transmission network and power systems with a transmission function.

<sup>33</sup> The agreement was amended in June 2014, postponing the closing date of the consultation on the report templates from 30 June 2014 to 31 August 2014.

<sup>34</sup> The draft guidelines on tariffs (R) 140528-CDC-1336 on information to be considered confidential due to its sensitive or personal nature was subject to public consultation in late May 2014.

<sup>35</sup> Guidelines on tariffs (R) 140828-CDC-1336 on information to be considered confidential due to its sensitive or personal nature.

<sup>36</sup> Agreement on aspects of Intellectual property rights relating to trade.

of 8 December 1992 on the protection of privacy with regard to processing personal data.

Then, the CREG put out its draft decree<sup>37</sup>, fixing the tariff methodology for the electricity transmission system and power systems with a transmission function, for public consultation from 1 to 30 September 2014. A consultation report was compiled.

Finally, from 31 October to 17 November, 2014, the CREG put out for public consultation its draft Annex 3 to the tariff methodology for the transmission of electricity under the specific tariff regulatory framework applicable to NEMO, a DC interconnection of about 1,000 MW to be operational in 2018 between the United Kingdom and Belgium (see also 3.4.4. hereof).

The draft texts and all documents related to the dossier were sent to the Chamber of Representatives, published on the CREG website and listed in the Official Journal. The CREG thus completed a long process lasting almost one year in accordance with official regulations.

### b) Tariff Trends

For 2014, only the application procedures of one of the transmission system operator's (Elia) tariffs has been adapted.

By decision of 16 October 2014<sup>38</sup>, the CREG approved Elia's proposal of 7 October 2014 on the adaptation of the tariff application procedures to maintain and restore the individual balance of the access responsible parties for the winter period 2014/2015. Elia in effect proposed to adapt its tariff proposal submitted on 30 June 2011 (adapted on 13 December 2011 and restored on 2 April 2013) in the following manner, to comply with the operating rules of the strategic reserve (see 3.4. 5.1. hereof). The proposal by Elia restores the conditions of proportionality and non-discrimination to be upheld by the tariff for maintaining and restoring the individual balance of access responsible parties insofar as it provides for a clear distinction between the tariff applied in the event of imbalance of the access responsible party (ARP) in normal conditions and the tariff applied in situations of risk to the country's security of supply. In addition, the adaptations of form applied to the tariff schedule introduce more clarity and transparency for users.

The trend in the tariff charged to users of the transmission system is shown in the table below.

This trend is also clearly illustrated graphically in Figure 4 which provides a comparison of the tariff charged from 2012 to 2015 with that of the previous regulatory period 2008-2011. Concerning the rates in 2015, on December 18, 2014, the CREG approved, firstly, Elia's proposal of 25 November 2014 on the adaptation, from 1 January 2015, of tariffs for public service obligations and taxes and surcharges<sup>39</sup> and, secondly, Elia's proposal for the transition to two new services as of 1 January 2015<sup>40</sup> (the new service supply involves, respectively, connection and access to the local transmission system for a distribution network with an operating voltage of 36 kV).

37 Draft decree (Z)140626-CDC-1109/4 setting the tariff methodology for the electricity transmission system and power grids with a transmission function.

38 Decision (A)141016-CDC-1381 on the proposal to adapt the procedures for application of the tariff for the maintenance and restoration of the individual balance of the access responsible parties.

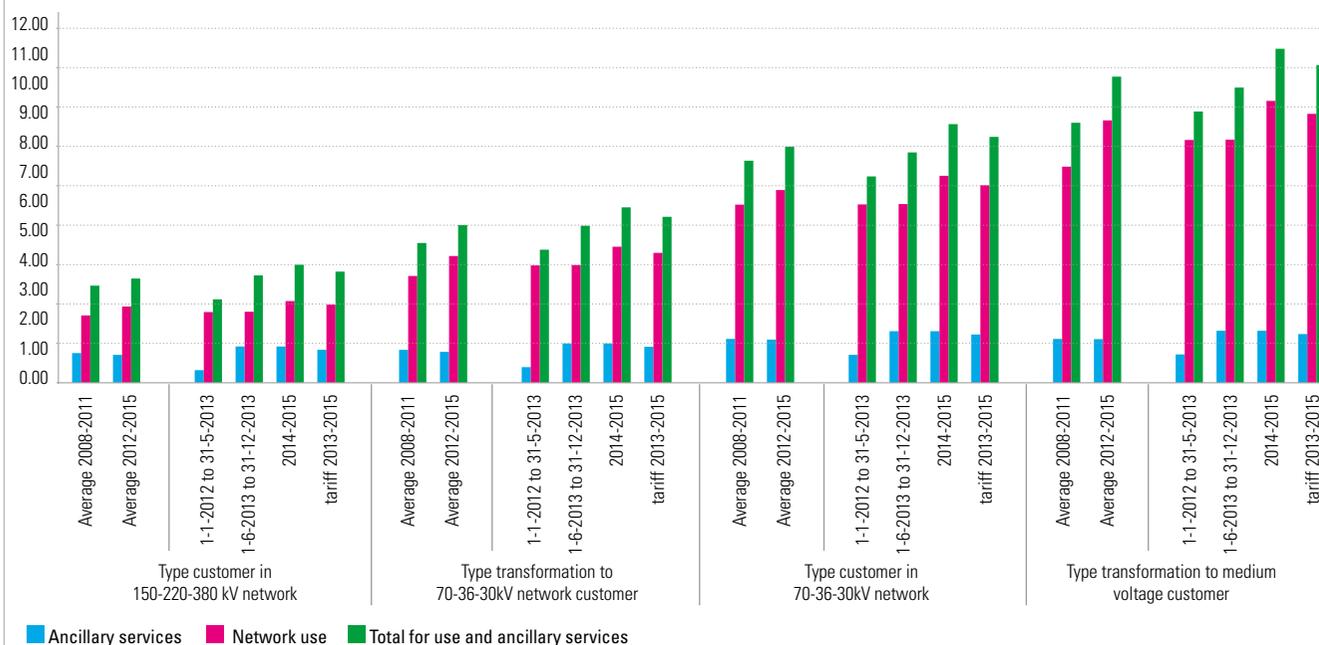
39 Decision (B)141218-CDC-658E/30 on Elia's proposal of 25 November 2014 on the adaptation from 1 January 2015 of the tariffs for public service obligations and taxes and surcharges.

40 Decision (B)141218-CDC-658E/31 on the updated tariff proposal, submitted by Elia System Operator S.A. for the transition to two new services from 1 January 2015.

Table 4: Transmission system user tariff charge for periods 2008-2011 and 2012-2015 (Euros/MWh, excluding VAT) (Source: CREG)

NETWORK COST (USE AND ANCILLARY SERVICES) Type Customers (€/MWh)	Tariffs 2008-2011 (1)	Tariffs 1-1-2012 to 31-5-2013 (2)	Tariffs 1-6-2013 to 31-12-2013 (3)	Tariffs 2014-2015 (4)	Tariffs average 2012-2015 (5)	Tariffs average 2013-2015 (6)	2013-2015 com- pared w/ 2012 (7) = (6)/(2)%	2012-2015 compared w/ 2008-2011 (8) = (5)/(1)%	2012 compared w/ 2008-2011 (9) = (2)/(1)%	2012-2015 com- pared w/ 2012 (10) = (5)/(2)%
By CREG decision dated	658E/09 13-12-2007	658E/19a26 22-12-2011	658E/26 16-5-2013	658E/26 16-5-2013	658E/26 16-5-2013					
<b>TYPE CUSTOMER IN 150-220-380 kV NETWORK</b>										
NETWORK USE										
Subscribed capacity	1.7423	1.8443	1.8443	2.2063	2.0253	2.0856	13%	16%	6%	10%
System management	0.5419	0.5542	0.5646	0.5646	0.5609	0.5632	2%	4%	2%	1%
Network use total	2.2842	2.3985	2.4089	2.7709	2.5862	2.6488	10%	13%	5%	8%
ANCILLARY SERVICES	1.0088	0.4301	1.2317	1.2317	0.9478	1.1204	160%	-6%	-57%	120%
<b>TOTAL</b>	<b>3.2930</b>	<b>2.8286</b>	<b>3.6406</b>	<b>4.0026</b>	<b>3.5340</b>	<b>3.7692</b>	<b>33%</b>	<b>7%</b>	<b>-14%</b>	<b>25%</b>
<b>TYPE TRANSFORMATION TO 70-36-30 kV NETWORK CUSTOMER</b>										
NETWORK USE										
Subscribed capacity	2.8442	3.1695	3.1695	3.7916	3.4806	3.5842	13%	22%	11%	10%
System management	0.7774	0.8094	0.8213	0.8213	0.8171	0.8196	1%	5%	4%	1%
Network use total	3.6216	3.9789	3.9908	4.6129	4.2976	4.4039	11%	19%	10%	8%
ANCILLARY SERVICES	1.1175	0.5323	1.3339	1.3339	1.0500	1.2226	130%	-6%	-52%	97%
<b>TOTAL</b>	<b>4.7391</b>	<b>4.5112</b>	<b>5.3247</b>	<b>5.9468</b>	<b>5.3476</b>	<b>5.6264</b>	<b>25%</b>	<b>13%</b>	<b>-5%</b>	<b>19%</b>
<b>TYPE CUSTOMER IN 70-36-30 kV NETWORK</b>										
NETWORK USE										
Subscribed capacity	4.8453	4.8855	4.8855	5.8445	5.3650	5.5248	13%	11%	1%	10%
System management	1.1933	1.1606	1.1724	1.1724	1.1682	1.1708	1%	-2%	-3%	1%
Network use total	6.0386	6.0461	6.0579	7.0169	6.5332	6.6956	11%	8%	0%	8%
ANCILLARY SERVICES	1.4892	0.9489	1.7505	1.7505	1.4666	1.6392	73%	-2%	-36%	55%
<b>TOTAL</b>	<b>7.5278</b>	<b>6.9950</b>	<b>7.8084</b>	<b>8.7674</b>	<b>7.9998</b>	<b>8.3348</b>	<b>19%</b>	<b>6%</b>	<b>-7%</b>	<b>14%</b>
<b>TYPE TRANSFORMATION TO MEDIUM VOLTAGE CUSTOMER</b>										
NETWORK USE										
Subscribed capacity	6.0346	6.6918	6.6918	8.0053	7.3486	7.5675	13%	22%	11%	10%
System management	1.2910	1.5393	1.5495	1.5495	1.5459	1.5481	1%	20%	19%	0%
Network use total	7.3256	8.2311	8.2413	9.5548	8.8944	9.1156	11%	21%	12%	8%
ANCILLARY SERVICES	1.4877	0.9634	1.7650	1.7650	1.4811	1.6537	72%	-0%	-35%	54%
<b>TOTAL</b>	<b>8.8133</b>	<b>9.1945</b>	<b>10.0063</b>	<b>11.3198</b>	<b>10.3755</b>	<b>10.7692</b>	<b>17%</b>	<b>18%</b>	<b>4%</b>	<b>13%</b>

Figure 4: Total network costs per customer type (in €/MWh, excluding VAT) (Source: CREG)



### • Offshore surcharge

At the end of January 2014, the Secretary of State for Energy asked the CREG to draw up a proposed amendment to the royal decree of 16 July 2002 on the introduction of mechanisms aimed at promoting electricity generated using renewable energy sources, taking account of the decision of the Council of Ministers of 20 December 2013.

The CREG produced its proposed royal decree on 7 February 2014<sup>41</sup>. It makes provision, for inclusion in the Royal Decree of 16 July 2002, of changes resulting from the change to the degressivity and capping mechanism of the offshore surcharge derived from the Programme Law of 26 December 2013 (see Annual Report 2013, page 6).

The amending Royal Decree was promulgated on 4 April 2014<sup>42</sup>. The main changes are described in 2.3. hereof.

Following this, on 15 September 2014, Elia provided the CREG with forecast data on:

- 1) forecasts of Kt purchases and Vt sales of green certificates for the year 2015;
- 2) estimation of costs of Ct financial charges related to outstanding green certificate purchase and/or sale transactions in 2015;
- 3) the cost of Dt administrative costs related to purchases and sales of green certificates for the year 2015;
- 4) the amount of the Zt-2 regularisation for 2013;
- 5) estimated net energy offtake for 2015.

The CREG concludes, for the year 2015, that the estimated amount to be covered by the surcharge referred to in Chapter III of the above-mentioned Royal Decree of 16 July 2002 and the estimated volume of net energy offtake totalled, respectively, 283,502,086 Euros and 70,044,000 MWh. It proposed<sup>43</sup> to set the amount of the offshore overhead for the year 2015 at 4.0475 Euros / MWh.

### c) Balances

The CREG decision<sup>44</sup> on Elia's tariff balances for financial year 2013 was taken in implementation of Articles 12quater, § 2 and 12, § 5, of the Electricity Law and in accordance with the CREG decree of 24 November 2011, amended on 28 March 2013 (see Annual Report 2013, page 22), on defining the provisional methods for calculating and setting the tariff

41 Proposed amendment (C)140207-CDC-1307 to the Royal Decree of 16 July 2002 on the establishment of mechanisms for the promotion of electricity generated from renewable energy sources.

42 Royal Decree of 4 April 2014, amending Royal Decree of 16 July 2002 on the establishment of mechanisms for the promotion of electricity generated from renewable energy sources (Official Journal dated 4 June 2014).

43 Proposal (C)141127-CDC-1388 on the calculation of the surcharge for offsetting the real net cost to the operator of the system resulting from the obligation to purchase and sell green certificates in 2015.

44 Decision (B)140724-CDC-658E/29-1 on the tariff report including the balances introduced by Elia System Operator SA for operating year 2013 as modified by the appropriate tariff report.

conditions for connection and access to the electricity grid equipped with a transmission function.

The CREG decided that Elia's 2013 total operating balance amounted to 40,654,775.22 Euros, i.e. the balance amount carried over by Elia (74,205,763.60 Euros), plus the reclassified amount (1,821,433.32 Euros) and decreased by the missing tariff (35,372,421.70 Euros). This amount has the nature of an Elia regulatory debt to the network users.

## B. Distribution networks

### a) Tariff Methodology

The Law of 8 January 2012 which transposes European Directive 2009/72/EC into Belgian law stipulates that one of the missions of the CREG is to develop a new tariff methodology. The publication of this law impedes the procedure for setting a tariff methodology as it had been initiated by the CREG in late 2011.

Indeed, the CREG started from the principle that the procedure for reaching an approved tariff methodology would require at least twelve months. Through its decisions of 26 April 2012, the CREG extended the application of the 2012 tariffs until 31 December 2014. Accordingly, the distribution network tariffs were maintained at the same level for the years 2012, 2013 and 2014.

The costs considered by the distribution system operator as a simple cascade effect (e.g. billing costs for use of the transmission system, offtakes and charges) were, however, adapted in 2014 to the actual amounts to be invoiced.

In addition, in 2014 the CREG continued the collaboration it started in early 2012 with the three regional regulators to ensure smooth transfer of knowledge on the distribution network tariffs. Indeed, in the governmental agreement of 1 December 2011, the transfer to the regions of tariff

responsibility for distribution network tariffs was an element of the sixth State reform. The transfer of competence from the CREG to the regional regulators, including the establishment of a new tariff methodology for distribution, has been in effect since 1 July 2014 (see also 2.1. hereof).

### b) Tariff Trends

The three tables below give an overview of tariff evolution between 2008 and 2014.

In April 2012, the CREG extended the application of the approved 2012 tariffs until 31 December 2014. As a result, there was no change in the tariffs of the distribution systems in 2014.

Following the cancellation of eleven CREG decisions by ruling of the Court of Appeal of Brussels of 27 November 2013 (see Annual Report 2013, page 31), the network tariff value that CREG had approved in December 2012 for decentralized production plants with power not exceeding 10 kW equipped with net metering in Flanders was cancelled.

Table 5: Distribution network usage tariffs for the years 2008 to 2014, excluding VAT (Source: CREG)

DSO	Household low voltage 3,500 kWh/an (1,600 normal hours, 1,900 off-peak hours)															
	2008	Δ 2009/2008	2009	Δ 2010/2009	2010	Δ 2011/2010	2011	Δ 2011/2011	2011 <sup>1</sup>	Δ 2012/2011	2012	Δ 2013/2012	2013	Δ 2014/2013	2014	
AGEM <sup>2</sup>	0.0449	0.00%	0.0449	0.00%	0.0449	0.00%	0.0449				84.46%	0.0829	0.00%	0.0829	0.00%	0.0829
AIEG	0.0360	21.53%	0.0437	3.26%	0.0452	-1.55%	0.0445				0.18%	0.0445	0.00%	0.0445	0.00%	0.0445
AIESH	0.0574	18.67%	0.0681	2.22%	0.0696	1.15%	0.0704				-0.18%	0.0703	0.00%	0.0703	0.00%	0.0703
DNB BA	not applicable: no residential customers															
EV/GHA <sup>4</sup>	0.0881	0.00%	0.0881	0.00%	0.0881	0.00%	0.0881				-5.90%	0.0829	0.00%	0.0829	0.00%	0.0829
GASELWEST	0.0558	14.91%	0.0641	1.98%	0.0653	5.12%	0.0687	46.38%	0.1005	1.78%	0.1023	0.00%	0.1023	0.00%	0.1023	
GASELWEST WA	0.0506	26.04%	0.0638	-5.53%	0.0602	4.02%	0.0626	0.00%	0.0626	3.42%	0.0648	0.00%	0.0648	0.00%	0.0648	
IDEG	0.0576	9.47%	0.0630	0.22%	0.0632	0.66%	0.0636				0.57%	0.0639	0.00%	0.0639	0.00%	0.0639
IEH	0.0481	17.92%	0.0567	-0.04%	0.0567	0.28%	0.0569				0.26%	0.0570	0.00%	0.0570	0.00%	0.0570
IMEA	0.0461	1.43%	0.0468	1.87%	0.0477	1.76%	0.0485	26.02%	0.0611	0.98%	0.0617	0.00%	0.0617	0.00%	0.0617	
IMEWO	0.0460	13.96%	0.0524	1.74%	0.0533	4.76%	0.0558	40.97%	0.0787	2.18%	0.0804	0.00%	0.0804	0.00%	0.0804	
INFRA WEST	0.0628	0.00%	0.0628	0.00%	0.0628	8.70%	0.0682				3.96%	0.0709	0.00%	0.0709	0.00%	0.0709
INTER-ENERGA	0.0607	0.00%	0.0607	0.00%	0.0607	3.46%	0.0628	9.32%	0.0687	2.02%	0.0701	0.00%	0.0701	0.00%	0.0701	
INTEREST	0.0697	11.22%	0.0775	-0.44%	0.0771	1.15%	0.0780				0.44%	0.0784	0.00%	0.0784	0.00%	0.0784
INTERGEM	0.0470	13.43%	0.0533	2.04%	0.0544	3.01%	0.0561	62.23%	0.0910	1.42%	0.0922	0.00%	0.0922	0.00%	0.0922	
INTERLUX	0.0676	8.82%	0.0736	1.39%	0.0746	0.68%	0.0751				1.17%	0.0760	0.00%	0.0760	0.00%	0.0760
INTERMOSANE	0.0602	15.01%	0.0693	0.24%	0.0694	1.12%	0.0702				0.64%	0.0707	0.00%	0.0707	0.00%	0.0707
INTERMOSANE VL	0.0602	30.85%	0.0788	0.09%	0.0789	0.86%	0.0796				0.45%	0.0799	0.00%	0.0799	0.00%	0.0799
IVEG	0.0541	0.00%	0.0541	0.00%	0.0541	-21.13%	0.0427	85.58%	0.0792	4.70%	0.0829	0.00%	0.0829	0.00%	0.0829	
IVEKA	0.0427	12.92%	0.0482	1.59%	0.0490	2.44%	0.0501	48.14%	0.0743	1.50%	0.0754	0.00%	0.0754	0.00%	0.0754	
IVERLEK	0.0496	9.44%	0.0543	1.62%	0.0552	3.99%	0.0574	39.73%	0.0801	1.85%	0.0816	0.00%	0.0816	0.00%	0.0816	
PBE	0.0592	0.00%	0.0592	0.00%	0.0592	27.08%	0.0753				5.97%	0.0798	0.00%	0.0798	0.00%	0.0798
PBE W	0.0500	0.00%	0.0500	0.00%	0.0500	11.22%	0.0556				3.62%	0.0576	0.00%	0.0576	0.00%	0.0576
RESA Electricité <sup>5</sup>	0.0431	0.00%	0.0431	34.62%	0.0581	-0.96%	0.0575				9.02%	0.0627	-8.17%	0.0576	0.00%	0.0576
SEDILEC	0.0505	10.05%	0.0555	-0.24%	0.0554	0.00%	0.0554				-0.02%	0.0554	0.00%	0.0554	0.00%	0.0554
SIBELGA	0.0452	11.51%	0.0505	10.18%	0.0556	4.73%	0.0582				2.39%	0.0596	0.00%	0.0596	0.00%	0.0596
SIBELGAS	0.0478	9.33%	0.0523	1.13%	0.0529	2.77%	0.0543	35.55%	0.0736	-1.19%	0.0728	0.00%	0.0728	0.00%	0.0728	
SIMOGEL	0.0415	13.42%	0.0471	0.56%	0.0473	1.34%	0.0480				1.63%	0.0487	0.00%	0.0487	0.00%	0.0487
WAVRE <sup>6</sup>	0.0345	0.00%	0.0345	0.00%	0.0345	0.00%	0.0345				66.07%	0.0573	0.00%	0.0573	0.00%	0.0573
Average	0.0528	9.64%	0.0577	2.09%	0.0587	2.38%	0.0601	19.99%	0.0676	6.91%	0.0708	-0.26%	0.0706	0.00%	0.0706	

Green figures: approved tariffs

Red figures: imposed tariffs

Tariffs excluding VAT, Elia tax in the Flemish Region and road levy.

(1) Gaselwest Sibelgas, Iverlek, Iveka, Imea, Imewo and Intergem tariffs: from 1 April.

Tariffs Inter-Energa and Iveg: from 1 May.

(2) AGEM was taken over by IVEG as of 1 January 2012.

(3) DNB BA has been a closed distribution network since 1 January 2012.

(4) EV/GHA was taken over by IVEG as of 1 January 2011.

(5) RESA Electricité 2010 tariffs from 1 October; previously: imposed 2008 tariffs.

(6) Valid from 1 May; previously: imposed 2008 tariffs.

Table 6: Distribution network usage tariffs for the years 2008 to 2014, excluding VAT (Source: CREG)

DSO	Industrial average voltage 30.000 kWh/year (normal hours)														
	2008	Δ 2009/2008	2009	Δ 2010/2009	2010	Δ 2011/2010	2011	Δ 2011/2011	2011 <sup>1</sup>	Δ 2012/2011	2012	Δ 2013/2012	2013	Δ 2014/2013	2014
AGEM <sup>2</sup>	0.0376	0.00%	0.0376	0.00%	0.0376	0.00%	0.0376			0.32%	0.0377	0.00%	0.0377	0.00%	0.0377
AIEG	0.0458	31.29%	0.0601	12.69%	0.0678	-0.77%	0.0672			1.24%	0.0681	0.00%	0.0681	0.00%	0.0681
AIESH	0.0601	-0.05%	0.0601	2.56%	0.0616	1.82%	0.0627			0.03%	0.0627	0.00%	0.0627	0.00%	0.0627
DNB BA	0.0809	0.00%	0.0809	0.00%	0.0809	0.00%	0.0809				3				
EV/GHA <sup>4</sup>	0.0650	0.00%	0.0650	0.00%	0.0650	0.00%	0.0650			-42.02%	0.0377	0.00%	0.0377	0.00%	0.0377
GASELWEST	0.0462	-3.48%	0.0446	3.24%	0.0461	4.06%	0.0479	5.36%	0.0505	4.80%	0.0529	0.00%	0.0529	0.00%	0.0529
GASELWEST WA	0.0462	-3.48%	0.0446	3.24%	0.0461	5.17%	0.0484	0.00%	0.0484	5.01%	0.0509	0.00%	0.0509	0.00%	0.0509
IDEG	0.0441	-5.27%	0.0418	0.81%	0.0421	1.18%	0.0426			0.11%	0.0427	0.00%	0.0427	0.00%	0.0427
IEH	0.0440	6.45%	0.0468	4.51%	0.0489	-2.48%	0.0477			0.23%	0.0478	0.00%	0.0478	0.00%	0.0478
IMEA	0.0419	-2.63%	0.0408	2.15%	0.0417	1.79%	0.0424	6.06%	0.0450	-0.14%	0.0449	0.00%	0.0449	0.00%	0.0449
IMEWO	0.0392	-2.80%	0.0381	2.04%	0.0389	4.92%	0.0408	6.31%	0.0433	3.70%	0.0449	0.00%	0.0449	0.00%	0.0449
INFRA WEST	0.0436	0.00%	0.0436	0.00%	0.0436	-20.02%	0.0349			1.34%	0.0354	0.00%	0.0354	0.00%	0.0354
INTER-ENERGA	0.0320	0.00%	0.0320	0.00%	0.0320	6.27%	0.0340	4.98%	0.0357	3.79%	0.0371	0.00%	0.0371	0.00%	0.0371
INTEREST	0.0531	0.89%	0.0536	2.43%	0.0549	3.13%	0.0566			-0.25%	0.0565	0.00%	0.0565	0.00%	0.0565
INTERGEM	0.0382	6.04%	0.0405	3.11%	0.0418	4.14%	0.0435	5.91%	0.0461	4.04%	0.0479	0.00%	0.0479	0.00%	0.0479
INTERLUX	0.0486	-4.09%	0.0466	6.41%	0.0496	0.84%	0.0500			1.20%	0.0506	0.00%	0.0506	0.00%	0.0506
INTERMOSANE	0.0537	2.45%	0.0550	0.71%	0.0554	0.54%	0.0557			0.01%	0.0557	0.00%	0.0557	0.00%	0.0557
INTERMOSANE VL	0.0537	2.45%	0.0550	0.71%	0.0554	0.54%	0.0557			0.01%	0.0557	0.00%	0.0557	0.00%	0.0557
IVEG	0.0420	0.00%	0.0420	0.00%	0.0420	-26.17%	0.0310	11.80%	0.0347	8.63%	0.0377	0.00%	0.0377	0.00%	0.0377
IVEKA	0.0373	5.05%	0.0392	2.07%	0.0400	3.73%	0.0415	5.03%	0.0435	4.27%	0.0454	0.00%	0.0454	0.00%	0.0454
IVERLEK	0.0386	2.84%	0.0397	2.15%	0.0406	4.65%	0.0425	4.68%	0.0445	3.33%	0.0459	0.00%	0.0459	0.00%	0.0459
PBE	0.0347	0.00%	0.0347	0.00%	0.0347	29.35%	0.0449			4.92%	0.0471	0.00%	0.0471	0.00%	0.0471
PBE W	0.0333	0.00%	0.0333	0.00%	0.0333	9.75%	0.0366			2.09%	0.0373	0.00%	0.0373	0.00%	0.0373
RESA Electricité <sup>5</sup>	0.0511	0.00%	0.0511	26.50%	0.0647	3.99%	0.0672			13.24%	0.0761	-8.75%	0.0695	0.00%	0.0695
SEDILEC	0.0399	3.96%	0.0415	1.83%	0.0423	1.28%	0.0428			0.35%	0.0430	0.00%	0.0430	0.00%	0.0430
SIBELGA	0.0588	-17.82%	0.0483	9.95%	0.0531	6.75%	0.0567			4.43%	0.0592	0.00%	0.0592	0.00%	0.0592
SIBELGAS	0.0348	32.86%	0.0462	4.38%	0.0482	5.73%	0.0510	1.43%	0.0517	6.87%	0.0553	0.00%	0.0553	0.00%	0.0553
SIMOGEL	0.0427	4.73%	0.0447	0.31%	0.0448	2.05%	0.0457			-0.17%	0.0457	0.00%	0.0457	0.00%	0.0457
WAVRE <sup>6</sup>	0.0463	0.00%	0.0463	0.00%	0.0463	0.00%	0.0463			5.30%	0.0488	0.00%	0.0488	0.00%	0.0488
Average	0.0460	2.05%	0.0467	3.17%	0.0483	1.80%	0.0490	1.22%	0.0497	1.31%	0.0490	-0.49%	0.0487	0.00%	0.0487

Green figures: approved tariffs

Red figures: imposed tariffs

Tariffs excluding VAT, Elia tax in the Flemish Region and road levy.

- (1) Gaselwest Sibelgas, Iverlek, Iveka, Imea, Imewo and Intergem tariffs: from 1 April.
- (2) Tariffs Inter-Energa and Iveg: from 1 May.
- (3) AGEM was taken over by IVEG as of 1 January 2012.
- (4) DNB BA has been a closed distribution network since 1 January 2012.
- (5) EV/GHA was taken over by IVEG as of 1 January 2011.
- (6) RESA Electricité 2010 tariffs from 1 October; previously: imposed 2008 tariffs.
- (7) Valid from 1 May; previously: imposed 2008 tariffs.

Table 7: Distribution network usage tariffs for the years 2008 to 2014, excluding VAT (Source: CREG)

DSO	Industrial average voltage 30.000 kWh/year (normal hours)														
	2008	Δ 2009/2008	2009	Δ 2010/2009	2010	Δ 2011/2010	2011	Δ 2011/2011	2011 <sup>1</sup>	Δ 2012/2011	2012	Δ 2013/2012	2013	Δ 2014/2013	2014
AGEM <sup>2</sup>	0.0142	0.00%	0.0142	0.00%	0.0142	0.00%	0.0142			27.14%	0.0181	0.00%	0.0181	0.00%	0.0181
AIEG	0.0154	76.09%	0.0271	3.14%	0.0279	-1.75%	0.0274			0.73%	0.0276	0.00%	0.0276	0.00%	0.0276
AIESH	0.0237	0.68%	0.0239	2.65%	0.0245	1.98%	0.0250			0.22%	0.0250	0.00%	0.0250	0.00%	0.0250
DNB BA	0.0300	0.00%	0.0300	0.00%	0.0300	0.00%	0.0300								
EV/GHA <sup>4</sup>	0.0160	0.00%	0.0160	0.00%	0.0160	0.00%	0.0160			13.03%	0.0181	0.00%	0.0181	0.00%	0.0181
GASELWEST	0.0158	-0.92%	0.0157	3.07%	0.0161	1.46%	0.0164	15.71%	0.0189	4.07%	0.0197	0.00%	0.0197	0.00%	0.0197
GASELWEST WA	0.0158	-0.92%	0.0157	3.07%	0.0161	4.61%	0.0169	0.00%	0.0169	4.56%	0.0176	0.00%	0.0176	0.00%	0.0176
IDEG	0.0164	-4.85%	0.0156	0.13%	0.0156	0.43%	0.0157			-0.53%	0.0156	0.00%	0.0156	0.00%	0.0156
IEH	0.0162	5.32%	0.0171	9.67%	0.0188	-8.29%	0.0172			-0.38%	0.0171	0.00%	0.0171	0.00%	0.0171
IMEA	0.0148	0.13%	0.0148	1.43%	0.0150	1.38%	0.0152	16.88%	0.0178	-5.91%	0.0168	0.00%	0.0168	0.00%	0.0168
IMEWO	0.0140	-0.22%	0.0140	1.88%	0.0143	4.12%	0.0149	17.29%	0.0174	1.92%	0.0178	0.00%	0.0178	0.00%	0.0178
INFRAX WEST	0.0160	0.00%	0.0160	0.00%	0.0160	19.66%	0.0192			8.14%	0.0207	0.00%	0.0207	0.00%	0.0207
INTER-ENERGA	0.0116	0.00%	0.0116	0.00%	0.0116	35.57%	0.0157	10.82%	0.0174	5.42%	0.0183	0.00%	0.0183	0.00%	0.0183
INTEREST	0.0192	2.83%	0.0197	1.53%	0.0200	2.14%	0.0205			-0.90%	0.0203	0.00%	0.0203	0.00%	0.0203
INTERGEM	0.0135	5.52%	0.0142	2.61%	0.0146	3.63%	0.0151	17.03%	0.0177	3.35%	0.0183	0.00%	0.0183	0.00%	0.0183
INTERLUX	0.0176	-5.47%	0.0166	5.24%	0.0175	-0.04%	0.0175			0.88%	0.0177	0.00%	0.0177	0.00%	0.0177
INTERMOSANE	0.0202	3.72%	0.0209	-0.14%	0.0209	-0.25%	0.0209			-0.81%	0.0207	0.00%	0.0207	0.00%	0.0207
INTERMOSANE VL	0.0202	3.72%	0.0209	-0.14%	0.0209	-0.25%	0.0209			-0.81%	0.0207	0.00%	0.0207	0.00%	0.0207
IVEG	0.0151	0.00%	0.0151	0.00%	0.0151	-14.39%	0.0129	28.30%	0.0166	8.82%	0.0181	0.00%	0.0181	0.00%	0.0181
IVEKA	0.0126	8.91%	0.0137	1.91%	0.0140	3.47%	0.0144	14.44%	0.0165	3.84%	0.0172	0.00%	0.0172	0.00%	0.0172
IVERLEK	0.0137	3.97%	0.0143	1.52%	0.0145	3.92%	0.0151	13.19%	0.0171	2.54%	0.0175	0.00%	0.0175	0.00%	0.0175
PBE	0.0142	0.00%	0.0142	0.00%	0.0142	86.86%	0.0265			7.50%	0.0285	0.00%	0.0285	0.00%	0.0285
PBE W	0.0133	0.00%	0.0133	0.00%	0.0133	37.48%	0.0182			3.00%	0.0188	0.00%	0.0188	0.00%	0.0188
RESA Electricité <sup>5</sup>	0.0169	0.00%	0.0169	38.23%	0.0234	4.44%	0.0244			9.25%	0.0267	-5.53%	0.0252	0.00%	0.0252
SEDILEC	0.0147	2.11%	0.0150	1.13%	0.0152	0.65%	0.0153			-0.15%	0.0153	0.00%	0.0153	0.00%	0.0153
SIBELGA	0.0175	-15.58%	0.0147	7.50%	0.0158	5.78%	0.0168			4.43%	0.0175	0.00%	0.0175	0.00%	0.0175
SIBELGAS	0.0124	33.19%	0.0165	3.94%	0.0172	4.30%	0.0179	4.08%	0.0186	5.66%	0.0197	0.00%	0.0197	0.00%	0.0197
SIMOGEL	0.0143	4.63%	0.0150	-0.09%	0.0150	1.56%	0.0152			-0.53%	0.0151	0.00%	0.0151	0.00%	0.0151
WAVRE <sup>6</sup>	0.0184	0.00%	0.0184	0.00%	0.0184	0.00%	0.0184			2.58%	0.0189	0.00%	0.0189	0.00%	0.0189
Average	0.0163	4.24%	0.0169	3.04%	0.0175	6.84%	0.0184	7.30%	0.0191	3.82%	0.0194	-0.27%	0.0194	0.00%	0.0194

Green figures: approved tariffs  
Red figures: imposed tariffs  
Tariffs excluding VAT, Elia tax in the Flemish Region and road levy.

- (1) Gaselwest Sibelgas, Iverlek, Iveka, Imea, Imewo and Intergem tariffs: from 1 April. Tariffs Inter-Energa and Iveg: from 1 May.  
(2) AGEM was taken over by IVEG as of 1 January 2012.  
(3) DNB BA has been a closed distribution network since 1 January 2012.  
(4) EV/GHA was taken over by IVEG as of 1 January 2011.  
(5) RESA Electricité 2010 tariffs from 1 October; previously: imposed 2008 tariffs.  
(6) Valid from 1 May; previously: imposed 2008 tariffs.

Significant tariff differences may be observed between the various DSOs. These can be explained, on the one hand, by topographical and technical factors specific to the areas supplied and, on the other hand, by the scope of the public service obligations and whether or not the levy for occupation of the public domain is taken into account. Other factors, such as the transfer of balances from the previous years (bonus/malus) also contribute towards these differences in tariffs.

The three figures below give the average composition of the distribution network cost in Flanders, Wallonia and Brussels.

Figure 5: Average breakdown of distribution network cost in Flanders in 2014 for a Dc customer = 3,500 kWh/year (1,600 normal hours, 1,900 off-peak hours) (Source: CREG)

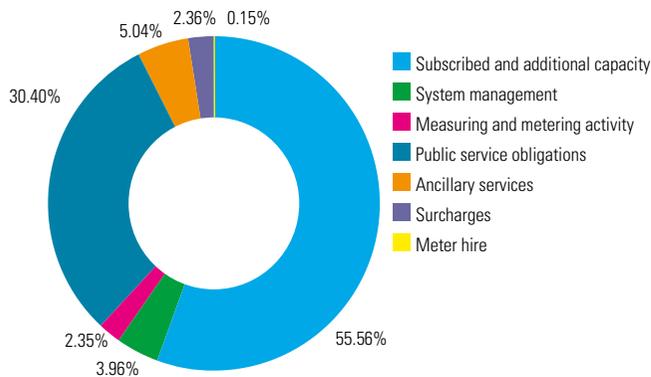


Figure 6: Average breakdown of distribution network cost in Wallonia in 2014 for a Dc customer = 3,500 kWh/year (1,600 normal hours, 1,900 off-peak hours) (Source: CREG)

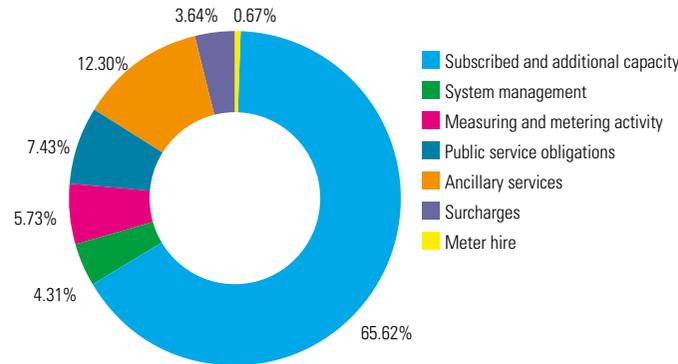
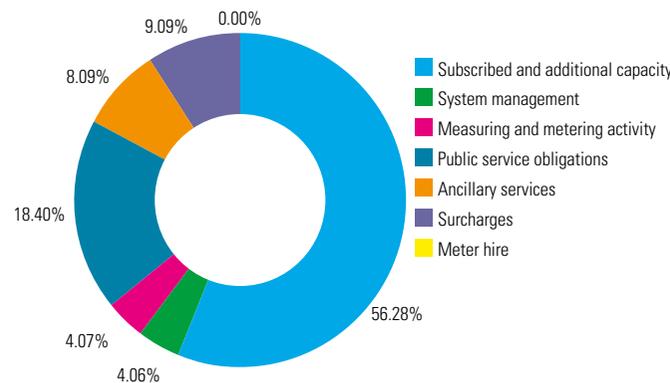


Figure 7: Average breakdown of distribution network cost in Brussels in 2014 for a Dc customer = 3,500 kWh/year (1,600 normal hours, 1,900 off-peak hours) (Source: CREG)



### c) Balances

Early in 2011, 2012, 2013 and 2014, the CREG received reports from the DSOs on the application of their tariffs in 2010, 2011, 2012 and 2013 respectively. However, the CREG was unable to take a decision on the balances carried over for the following reasons:

- The law of 8 January 2012 repealed the royal decree of 2 September 2008 "on the rules relating to determining and auditing total income and a fair profit margin, the general tariff structure, the balance between costs and revenues and the basic principles and procedures relating to proposal and approval of tariffs, reporting and cost control by electricity distribution network operators"; which in particular included the procedure to determine balances, and no tariff methodology has been determined since;
- In early January 2012, the CREG received letters from the regional regulators and all the distribution system operators asking for the approved 2012 tariffs to be extended for the 2013 and 2014 operating years and therefore for no further decisions to be taken as regards regulatory balances;
- Due to the lack of any applicable tariff methodology, the CREG was unable to rule on a balance request submitted by a distribution system operator.

### d) Jurisprudence

In the «Dolor» case, in 2014, a judgement of the Deurne Justice of the Peace of 31 January 2014 referred the case to the Brussels appeal court which is the appeal body with jurisdiction for the decisions of the CREG. In this case, several network users who gathered at the initiative of the Dolor association cited legal problems related to the former tariff regulation, in order to claim refund of the distribution tariffs paid and a prohibition on billing such distribution tariffs in the future.

### 3.1.4. Cross-Border Issues

#### 3.1.4.1. Access to Cross-Border Infrastructure

Gross electricity imports continued to rise in 2014. Gross physical imports in fact totalled approximately 23.4 TWh in 2014, compared with 17.2 TWh in 2013 and gross physical exports totalled approximately 4.7 TWh in 2014, compared with 7.6 TWh in 2013. Net physical imports in 2014, by contrast, almost doubled to approximately 18.7 TWh, compared with 9.6 TWh the previous year.

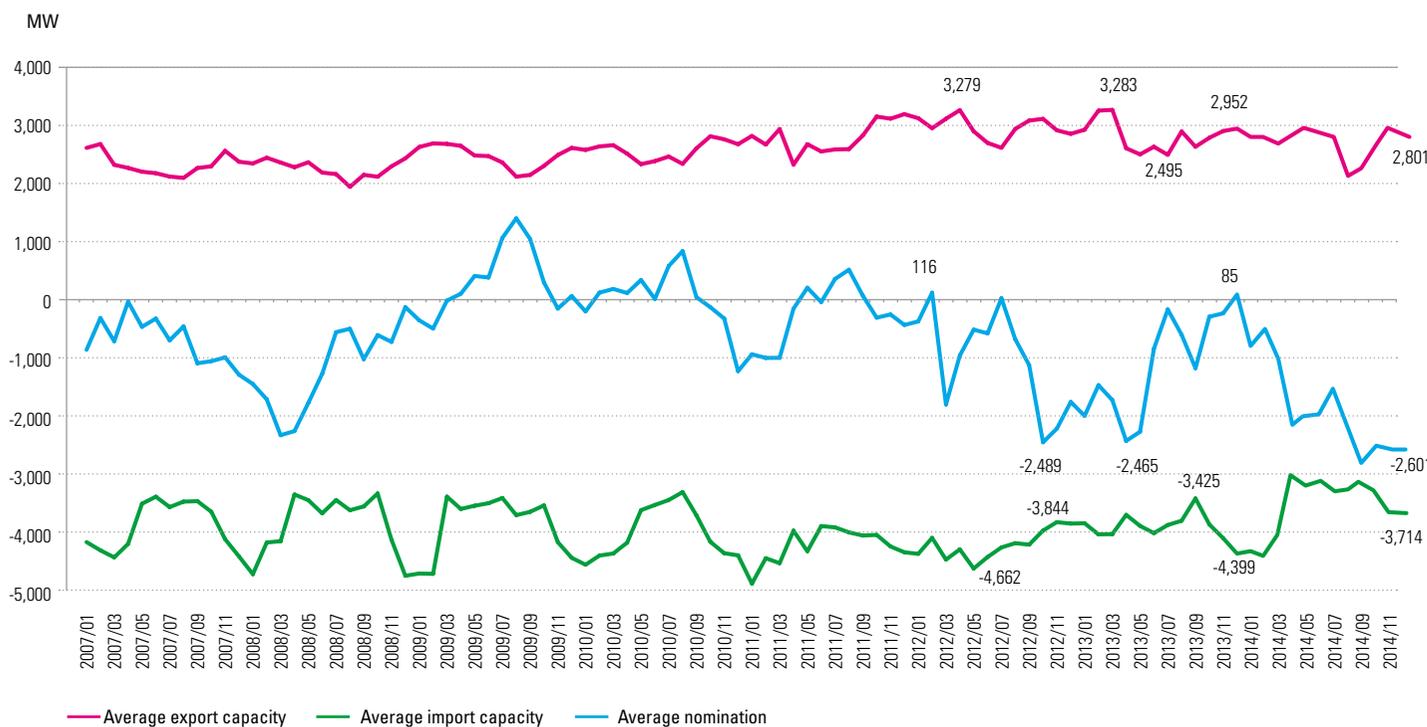
The figure below illustrates the trend in import and export capacity (monthly average) made available on the day-ahead

market, as well as their total net use. The chart shows that 2014, like 2012 and 2013, witnessed extreme movements in terms of utilisation (nomination) of the interconnection capacity: the maximum average utilisation per month was over 2,000 MW in imports between October 2012 and May 2013, between April 2014 and May 2014 and between August 2014 and December 2014 with a peak monthly import of 2,852 MW in September 2014. Analysed using the average figures, imports for September 2014 (2,852 MW) were slightly higher than those for October 2012 (2,489 MW) and April 2013 (2,465 MW). Net imports for 2014 were clearly higher on average than those for 2013. This situation is mainly the result of three nuclear power plants being unavailable: from 25 March 2014 for Doel 3 and Tihange 2 and from 8 August to 19 December

2014 for Doel 4, while in 2013 the first two plants were shut down for less than six months.

Overall, average import capacity fell from 2011, because in the absence of several nuclear plants and the corresponding reactor capacity, Elia needed to reduce total imports. The seasonal nature of import capacity (more capacity in winter and less in summer) had appeared less marked since 2011. 2014 has, however, resumed this seasonal trend.

Figure 8: Availability and use of interconnection capacity from 2007 to 2014 (Source: CREG)



The table below shows that average export capacity in 2014 fell by 125 MW compared with 2013. Average import capacity also shrank. By contrast, average nomination (utilisation) was negative in 2014, as it has been since 2011 (indicating commercial imports), compared with positive nominations in 2009 and 2010 (indicating commercial exports). In 2014, the Belgian control area was therefore a net importer of power, to a greater extent than in 2013.

Table 8: Average export and import capacity and average nomination per year (MW) (Sources: Elia data, CREG calculations)

Year	Average export capacity	Average import capacity	Net average export nomination
2007	2,320	-3,911	-707
2008	2,243	-3,882	-1,217
2009	2,462	-3,883	309
2010	2,559	-4,026	23
2011	2,789	-4,250	-258
2012	2,971	-4,244	-1,045
2013	2,823	-3,933	-1,113
2014	2,698	-3,566	-1,904
<b>Average</b>	<b>2,608</b>	<b>-3,962</b>	<b>-739</b>

The following table shows the evolution of annual revenues from import and export capacities purchased by market actors in explicit auctions, valid for the following year or the following month. This table shows that in 2014, market actors were able to acquire annual and monthly capacity for 9.2 million Euros more than the previous year, when there had already been a sharp increase compared with 2012.

Market actors therefore expected, as in 2013, higher price differences with the Netherlands and France for 2014, compared to 2013.

Table 9: Annual revenues from capacities offered for auction (in millions of Euros) (Sources: Elia data, CREG calculations)

Year	Annual auctions	Monthly auctions	Total
2007	38.9	16.0	54.9
2008	27.1	11.6	38.7
2009	30.9	12.3	43.2
2010	25.5	8.1	33.6
2011	10.1	5.2	15.3
2012	15.6	8.5	24.1
2013	36.7	20.7	57.4
2014	42.6	24.1	66.6

Despite the establishment of market coupling in November 2010 between the five countries in the CWE Region (Luxembourg, Belgium, the Netherlands, France and Germany), price discrepancies between day-ahead exchanges can still be observed. These discrepancies indicate saturation of the commercial interconnection capacity between two markets. Congestion rents are equal to the sum - for all hours of the year - of the product of exchange price differences multiplied by commercial capacity. These rents paint a picture of the severity of the congestion seen at Belgium's two borders on D-1.

Changes in D-1 commercial congestion rents on interconnections during the period 2007-2013 are shown in the chart opposite. It shows that they stopped rising compared to 2013. The decrease over the year is 24.4%. However, for

the period studied, it is the second highest level of congestion rents recorded.

The congestion rents were generated mainly by imports from France (76.9%) and by exports to the Netherlands (16.3%).

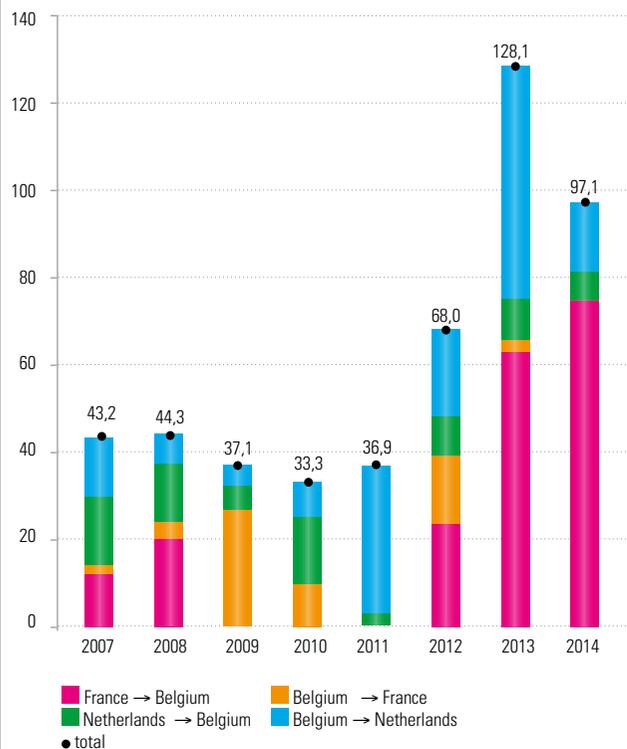
Although overall the congestion rents decreased, those between the French and Belgian border rose sharply from 2012 (€ 23.68 million) to € 74.6 million in 2014. The congestion rents for the Belgian-French border alone represent 76.9% of total rents while they accounted for only 34.8% of the total in 2012.

The level of rents remained high between April and December. It varies between 4.1 million Euros (October) and 14.7 million Euros (August), corresponding to the stoppages of two nuclear power plants (from 25 March) and a third (from 5 August to 19 December). These stoppages explain most of the congestion rent for imports from France in 2014. For 2014, there were no congestion rents between Belgium and France; they have decreased since 2012, the year when Belgium started to experience problems with two of its nuclear plants.

In 2014, congestion rents between Belgium and the Netherlands decreased overall by 64.1% compared to 2013. The congestion rents of exports represent 70.6% of total rents in both countries. The most significant congestion rents were recorded in the first three months of 2014 (64.4% of the Belgium plus Netherlands total) while they were lowest between France and Belgium (5.41% of the total of these two countries).

These trends confirm the weaker price convergence - both in 2014 and in 2013 - between the Belgian and French stock exchanges and improved convergence between the Belgian and Dutch exchanges for the same period.

Figure 9: Daily congestion rents from market coupling (in millions of Euros) (Sources: Elia data, CREG calculations)



### 3.1.4.2. Analysis of the TSO's Investment Plan as Regards Consistency with the Network Development Plan in the Whole European Community

Readers are referred to paragraph 3.4.2. hereof.

### 3.1.4.3. Cooperation of the CREG (Including Capacity Allocation Procedures and Congestion Management) with other Regulators and ACER

In 2014, the CREG worked closely on various issues with the regulators in other member States. In most cases, this was a matter of continuing the work undertaken in previous years. This includes monitoring of the North West Europe (NWE) market coupling launched in February 2014 and the subsequent geographical extension (to Spain and Portugal). The CREG also monitored discussions concerning the long-term market and the intraday trading platform.

Dialogue between the CREG and Elia regarding the interconnection capacity calculation method continued in 2014. Elia submitted a proposal in July 2013, then an adapted proposal in October 2013, regarding the interconnection capacity calculation method for day-ahead trading on this interconnection. In October 2014, the CREG decided<sup>45</sup> to approve, for a twelve month period, and for a number of conditions, Elia's proposal on the general calculation model for total transfer capacity and for the transmission reliability margin. This method applies to the Belgian borders for daily capacities.

Also, in the area of calculation of the interconnection capacity, discussions about flowbased market coupling continued between the regulators of the Central West Europe Region (CWE) and TSOs and the relevant stock exchanges.

The decision<sup>46</sup> of 18 December 2014 (see 3.4.5.3. hereof) is also the result of collaboration between regulators of the Central West Europe Region (CWE).

As described below in 3.1.4.4., the CREG has also worked closely with ACM (Autoriteit Consument & Markt in the Netherlands) on the matter of the method of allocation of capacities between different time-horizons.

Readers are referred to 5.8.2. hereof for details of the work of the CREG within ACER.

### 3.1.4.4 The Allocation of Capacity between Belgium and the Netherlands

In May 2014, the CREG decided<sup>47</sup> not to approve the Elia proposal on the method for allocation of capacity over different time horizons (year, month, day) on the link between Belgium and the Netherlands.

The CREG asked Elia to submit, no later than 1 July 2014, a new allocation methodology proposal.

<sup>45</sup> Decision (B)141009-CDC-1296 on the request for approval of Elia's proposal on the general model for calculation of total transfer capacity and transmission reliability margin; method applicable to Belgian borders for daily capacities.

<sup>46</sup> Final decision (B)141218-CDC-1390 on the request for approval of Elia's proposal on the exceptional procedure for calculating transfer capacities following electricity scarcity in Belgium.

<sup>47</sup> Final decision (B)140508-CDC-1306 on the method for allocation of capacity between different time horizons on the link between Belgium and the Netherlands.

## 3.2. Competition

### 3.2.1. Monitoring Wholesale and Retail Prices

#### 3.2.1.1. CREG Studies in 2014

##### • Significant developments in wholesale electricity and gas markets in 2013

On 9 January 2014, CREG had already established a first succinct note<sup>48</sup> providing an overview of key developments in prices and consumption in the Belgian wholesale electricity and gas markets in 2013.

The CREG's first conclusions for 2013 were as follows:

- total Belgian electricity consumption, as measured by the TSO, amounted to 79.3 TWh;
- Nuclear electricity generation, lower already in 2012, was offset in 2013 mainly by higher imports from abroad (9.4 TWh in 2012 and 9.7 TWh in 2013), and not by Belgian gas units;
- the short-term market electricity price averaged 47.5 Euros / MWh, more or less equivalent to the 2012 price but 2 Euros / MWh less than in 2011;
- both on the short-term market and the long-term market, the gap between electricity prices in the wholesale markets in Belgium, the Netherlands, France and Germany has widened; Germany offers the lowest prices and the Netherlands the highest prices;

- gas consumption amounted to 183 TWh, representing a slight decrease compared with 2012, but was almost identical to that of 2011;
- the price of gas on the short-term market has increased year on year since 2009 to 27.1 Euros / MWh on average in 2013. The price of gas on the long-term market, by contrast, remained almost constant compared to 2012.

##### • Functioning of and Price Trend on the Belgian Wholesale Electricity Market in 2013

As it has done every year since 2007, the CREG examined<sup>49</sup> the functioning of and price trend on the Belgian wholesale electricity market in the past year. The objective of this study is to report certain important aspects of the Belgian electricity market, including generation, consumption, exchange of electricity on power exchanges, interconnections with abroad and balancing.

This study is summarized below.

In the Elia control area, total generation in 2013 is estimated by the CREG to be 70.6 TWh compared with 71.7 TWh in 2012 and 80.1 TWh in 2011; this is a decrease of 1.5% compared to 2012 and 11.9% compared to 2011.

Despite two nuclear power plants being unavailable for one year (between 2012 and 2013), the share of nuclear generation in 2013 was 57.9% of total production, particularly because of the decrease in generation in Belgium. Generation

from gas-fired and coal power stations reached their lowest level for the period 2007-2013.

The impact on consumption of generation by solar panels is growing, although it is still at a marginal level. Average production around 13h was 880 MW compared with an estimate of 620 MW in 2012. In 2013, all offshore wind farms together injected 1.5 TWh into the transmission grid, up 75.5% compared to 2012. Where onshore generation is added to offshore generation, wind generation in 2013 amounted to 1.8 TWh, up 61.0% compared to 2012.

The annual average price of electricity on the Belpex day-ahead short-term market in 2013 was 47.45 Euros / MWh; or 0.47 Euros / MWh higher than a year earlier. While the Netherlands was the most expensive at 51.95 Euros / MWh, France (43.24 Euros / MWh) and especially Germany (37.78 Euros / MWh) had lower prices than in previous years. Despite the gradual coupling of markets, price convergence in the CWE region<sup>50</sup> has clearly not materialised, particularly over the last two years. Several factors could explain this observation, such as the shut-down of two Belgian nuclear power plants over almost a year and because of a lack of integration of renewable energy due to insufficient interconnections between the four states. A total of 17.1 TWh were traded on the Belpex DAM, which represents 21% of the annual electricity offtake of the Elia network. This is a new record.

<sup>48</sup> Note (Z)140109-CDC-1299 on significant developments in wholesale electricity and gas markets in 2013.

<sup>49</sup> Study (F)140430-CDC-1319 on the functioning of and price trend on the Belgian wholesale electricity market - monitoring report 2013.

<sup>50</sup> The CWE regions consists of France, Belgium, the Netherlands and Germany.

During 2007-2013, month-ahead, quarter-ahead and year-ahead contracts were, respectively, 5.2%, 8.6% and 10.6% more expensive than the Belpex DAM. These differences over those seven years suggest that the sooner the price is set, the higher the average price, especially where the contract period is long. Analysed on a yearly basis, it appears that only 2013 had a day-ahead contract that was, on average, higher than a longer-term contract. This particular situation is probably related to the issue of the extended shut-down of several nuclear power plants in 2013.

If the long-term, year-ahead market prices in Belgium are compared with those in France, the Netherlands and Germany, we can see that the four countries' prices were close to each other until the third quarter of 2012. Since that period, price differences have widened. Prices in Belgium went from 50.5 Euros / MWh in December 2012 to 43.6 Euros / MWh in December 2013 and the price differential with Germany increased from 1.2 to 4.5 Euros / MWh.

Belgian average commercial import capacity in 2013 was 3,932 MW and average commercial export capacity was 2,821 MW. These figures confirm that Belgium is a highly interconnected country. Average import capacity was just over 40% of average consumption and a little under 30% of peak consumption in the Elia control area.

In 2013, net commercial import to the Elia control area was 1,124 MW on average and 9.8 TWh in total, or 11% of total electricity offtake. In the CWE region, Belgium imported

4.9 TWh net via the day-ahead market; the Netherlands 18.0 TWh and France 2.1 TWh. Germany alone exported 25.0 TWh net.

From September 2012 to June 2013, an average of more than 2,000 MW were imported physically, to a peak of 4,028 MW in the month of November 2012.

The complete unavailability of 2,000 MW of nuclear capacity from August 2012 to June 2013 had a significant impact on the commercial use of import interconnections. The CREG estimates that, on average, 75% of available nuclear capacity was offset by more imports. This rate increased to 100% during the shut-down of the two nuclear power plants.

With regard to the balancing between offtakes and injections on the network, Elia has set the balance at 1.2 TWh, a slight increase compared to the previous year (1.1 TWh). In recent years, the downward control volume has increased while the average upward control volume slightly decreased compared to 2012.

#### • Grouped purchases on the energy market

Grouped energy purchases receive considerable attention from the media. They encourage consumers to show an interest in and familiarize themselves with complex energy purchasing data. The CREG carried out a study<sup>51</sup>, in June 2014 to shed light on this economic activity.

#### • Supply of electricity to major industrial customers in Belgium

In October 2014, the CREG undertook a study<sup>52</sup> on the supply of electricity by Electrabel to consumers in Belgium with an offtake point whose annual consumption exceeds 10 GWh. The CREG compiled an inventory of the mechanisms for setting «energy prices» based on which major Belgian industrial customers were billed in 2013. This inventory is based on an analysis of the different components of energy prices in Electrabel supply contracts in 2013 in this market segment. This study seeks to identify the main factors that influenced – and still influence – future «energy prices» charged to major Belgian industrial customers.

In November 2014, the CREG also conducted a study<sup>53</sup> with the aim of improving the transparency of electricity supply to major industrial customers. Both supply contracts and the offtake profile of major industrial customers were analysed. Regarding the price of energy billed during the same year, the CREG detected large price differences between industrial customers, which cannot solely be explained by the volumes consumed. The specific characteristics of each customer, such as consumption profile, can explain these price differences, according to the CREG.

51 Study (F)140619-CDC-1337 on the organization of group purchases on the energy market.

52 Study (F)141002-CDC-1363 on energy price setting mechanisms in force in 2013 in the electricity supply contracts of the major industrial customers of Electrabel SA.

53 Study (F)141127-CDC-1384 on the supply of electricity to major industrial customers in Belgium.

### 3.2.1.2. Safety Net

The main objective of the safety net mechanism, fully implemented on 1 January 2013, is to bring the energy prices offered by suppliers to both residential and business customers closer to the average of our neighbouring countries (Germany, France, the Netherlands). To this end, the following measures have been adopted:

- A database has been built within the CREG giving an overview of all the price plans offered by suppliers to residential and SME customers. This database should enable the CREG to store the energy prices calculation methodology and obtain an overview of the parameters and indexation formulas used;
- Indexation of variable price formulas has been limited to four times per annum (always at the start of a quarter) instead of monthly indexation. This indexation is subject to scrutiny by the CREG;
- Indexation formulas used by suppliers are to be checked using a list of criteria established by royal decree to obtain transparent parameters related to the exchange. Parameters developed by the suppliers themselves, mainly related to their own generating and operating factors, are no longer used;
- permanent comparison between energy prices in Belgium and those in neighbouring countries. The comparison is conducted by the CREG and used during its analysis of price increases announced by suppliers.

The safety net mechanism is in operation until 31 December 2014. The King nonetheless has the option to extend it for a further three-year period, on the basis of a report prepared by the CREG and the National Bank of Belgium (NBB). The King can also decide at any time to end the mechanism if it appears

to result in significantly disruptive effects on the market; the CREG and the BNB are tasked with continuous monitoring of the mechanism to this end.

As part of this continuous monitoring, the CREG has drafted a report<sup>54</sup> on any disruptive effects on the market. The CREG focused on the analysis of market concentration, entry and exit barriers, transparency, product offers and price changes. It found no disruptive effect on the market. During the period under review, the introduction of the safety net mechanism contributed to better quality, clearer and more transparent information on the different parts of the market. Since the introduction of a safety net mechanism, the availability of relevant information has increased dramatically, both for supply and demand. Market share trends, the number of supplier changes and market concentration indexes together constitute a strong indication of increasingly accentuated materialization of true competition in the Belgian energy markets. Price analyses carried out by the CREG show that electricity and gas prices in Belgium - for household customers and SMEs - have moved towards the average level of neighbouring countries.

In June 2014, the CREG also wrote an evaluation report<sup>55</sup> on the safety net mechanism, analysing the consequences of its implementation over the previous eighteen months, which: (i) clearly demonstrated increasingly strong effective competition in today's Belgian energy markets; (ii) enabled the CREG, based on its broad monitoring remit, to draft several publications to provide the energy consumer with better information, which clearly contributed to enhanced transparency in the energy market; (iii) ensures that the indexing parameters used in electricity and gas price formulas clearly refer to the energy exchanges; (iv) moves energy prices in Belgium towards the average of the neighbouring countries.

The CREG believes that the observed trends and dynamics must be followed and encouraged in the future, among others by extending the safety net mechanism for a further period of three years.

In August 2014, in accordance with its legal obligations, the CREG also sent its report<sup>56</sup> on supplier indexing parameter trends to the Secretary of State for Energy and the Federal Minister of Economy, Consumers and the North Sea. The report focuses on composition and evolution of indexing parameters.

On the basis, inter alia, of the aforementioned CREG report of June 2014, the government decided<sup>57</sup> to extend the safety net mechanism for a period of three years to 31 December 2017. The text also stipulates that, no later than three months before 31 December 2015, the CREG and the Belgian National Bank shall produce an evaluation report on the mechanism.

#### • Databases of energy prices

Since 2012 the CREG has been preparing a database for each active supplier in Belgium, for every variable standard contract and for every new standard contract, doing so in conjunction with the suppliers, in order to store the variable price calculation methodology, in particular the indexation formulas and the parameters they use. To this end, and in order to keep this database up to date, the CREG makes use of publicly available data (suppliers' websites) and the data that suppliers are obliged to submit to the CREG every month.

54 Report (Z)140327-CDC-1318 on the monitoring of any disruptive effects on the market as part of the safety net mechanism introduced by Article 20/ré, §§1 to 5 of the electricity law and Article 15/10bis, §§1 to 5 of the Gas Law.

55 Report (RA)140626-CDC-1341 on the safety net mechanism introduced by Article 20bis, §§1 to 5 of the electricity law and Article 15/10i/s, §§1 to 5 of the Gas Law.

56 Report (Z)140828-CDC-1359 on supplier indexing parameter trends.

57 Royal Decree of 19 December 2014 on extending the mechanism established by Article 20bis of the law of 29 April 1999 on the organization of the electricity market and introduced by Article 15/10bis of the law of 12 April 1965 on the transmission of gaseous and other products by pipeline (Official Journal of 30 December 2014).

In addition to the variable components, this database also includes all the products that have a fixed energy component.

All the elements included in the price formula of the energy component (subscription, indexation parameters and related coefficients, renewable energy and combined heat and power contributions) are included separately in the database. The energy component of the annual energy bill is then calculated for certain standard customers<sup>58</sup> using relevant annual consumption levels.

The results are compared by sampling with those from the suppliers' calculation modules and the existing price comparison modules.

The CREG also continuously compares the energy component for the supply of electricity and natural gas to household and SME end customers with the average energy component of neighbouring countries.

In the context of its general monitoring missions and in particular the safety net regulation, in 2012 the CREG moreover established a permanent database of energy prices in the neighbouring countries (Germany, France, the Netherlands) and in the United Kingdom.

In addition to the energy component, the CREG has therefore monitored the all-in prices (total bill) in Belgium and in neighbouring countries on a monthly basis since 2012.

The results obtained by the CREG are, furthermore, checked by country by comparing them with the results obtained using the price simulators of neighbouring countries.

The main observations and trends for 2014 are illustrated and commented on in the monthly publication entitled "Overview and trend of electricity and natural gas prices offered to household customers and SMEs"

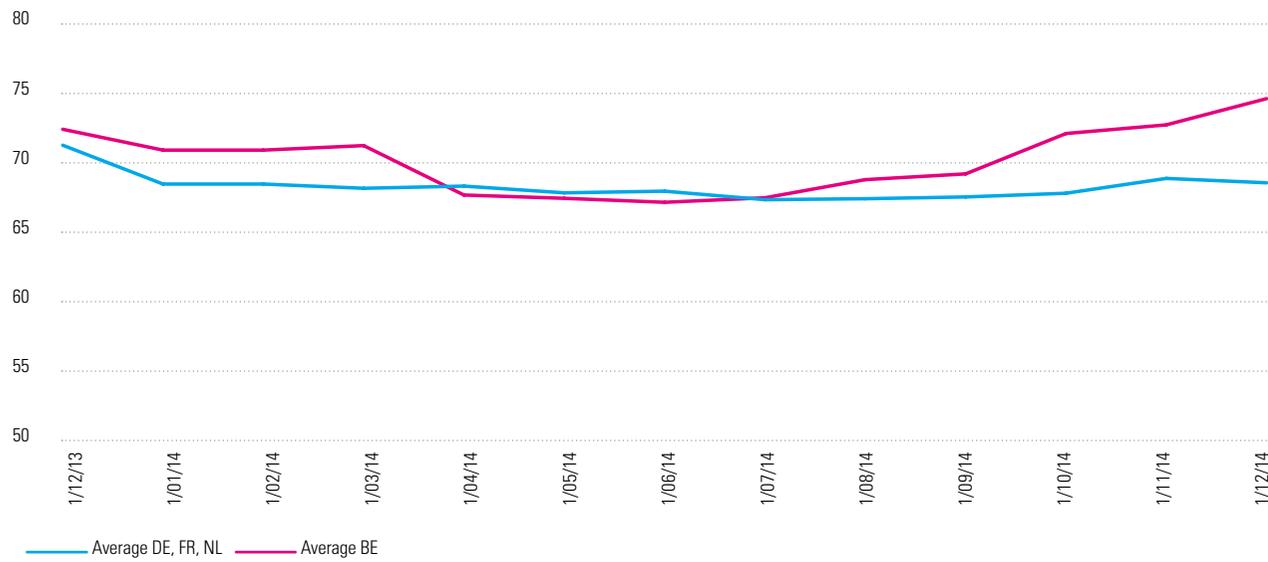
Between January and December 2014, the Belgian electricity and natural gas market for household consumers developed as follows:

- Over the entire period, six suppliers were active in Brussels (one more than 2013), ten in Wallonia (two more than 2012) and twelve in Flanders (one more than in 2012);
- in December 2014, the active suppliers offered:
  - Electricity: 39 products in Flanders, 34 in Wallonia and 15 in Brussels;
  - Natural gas: 30 products in Flanders, 28 in Wallonia, and 13 in Brussels;

- some 30% to 40% of electricity product offerings are variable-price products, whereas for natural gas, more than half are variable.

Analysis of the energy component of prices and the continuous price comparison between Belgium and neighbouring countries shows, as illustrated in the figures below, that implementation of the safety net mechanism has brought about convergence between Belgian energy prices and those in neighbouring countries. Monitoring nonetheless remains necessary.

Figure 10: Monthly trend in the price of electricity in 2014 for a standard household customer = 3,500 kWh/year (energy component)  
(Source: CREG)

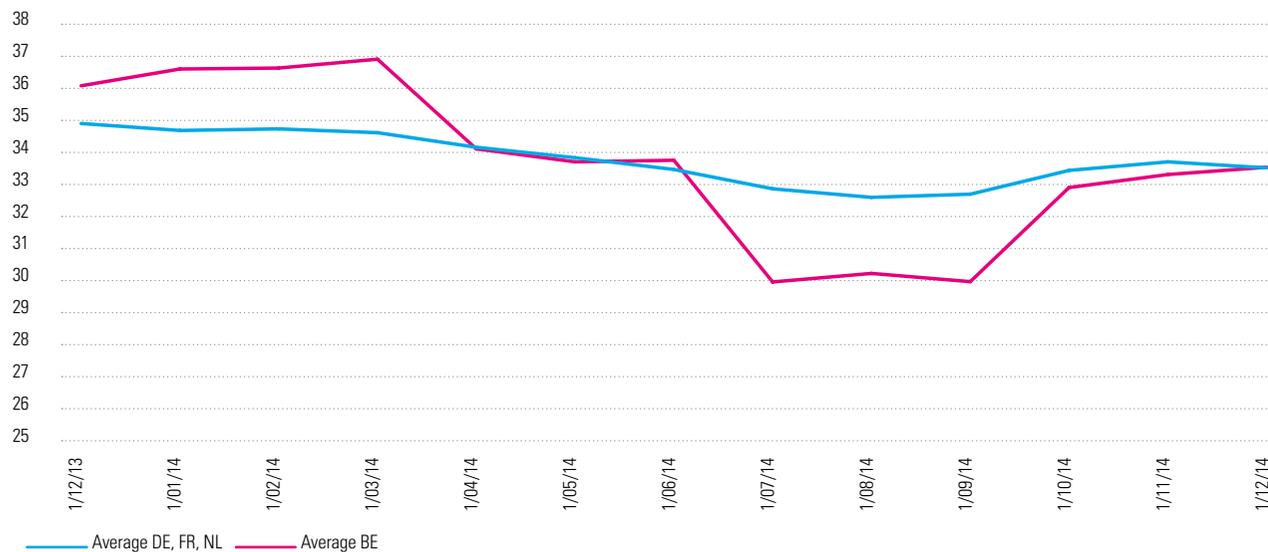


#### • Scrutiny of Price Indexation Criteria

The CREG makes a decision per quarter per supplier, whereby it determines whether the indexation formula for the energy component was correctly applied in variable-price contracts for the energy offered to household end customers and SMEs. Furthermore, the CREG determines whether the aforementioned indexation formula complies with the full list of criteria permitted by the royal decree of 21 December 2012.

As of 31 December 2014, suppliers were using twelve different indexation parameters. These twelve indexation parameters were used in the standard variable-price contracts of twelve suppliers, all of which notified the CREG of standard variable-price energy contracts via the safety net mechanism. The CREG's analysis found that the aforementioned indexation parameters and the resulting indexation formulas were stated in the tariff schedules in accordance with the full list of permitted criteria.

Figure 11: Monthly trend in the price of natural gas in 2014 for a standard household customer = 23,260 kWh/year (energy component)  
(Source: CREG)



The CREG analysed the developments in the indexation parameters and examined data accuracy. The values as calculated by the CREG matched the values used by suppliers on their tariff cards.

Lastly, the CREG used these values in the relevant price formulas and compared them with the prices stated on the tariff schedules. The CREG found, for all suppliers, that the prices stated on their tariff schedules for the energy component accurately reflected application of the price formulas with the relevant indexation parameters.

Suppliers had thus correctly applied their standard contract indexation formulas to the variable energy component.

### 3.2.2. Monitoring Market Transparency and Openness

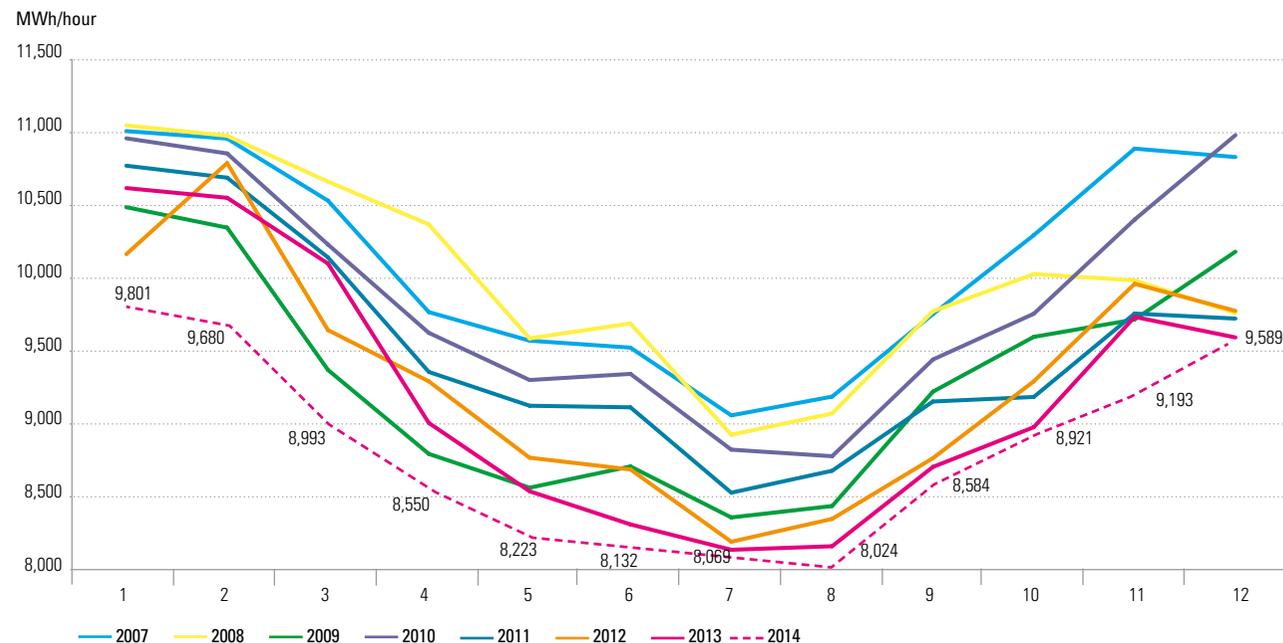
#### 3.2.2.1 Electrical Power Demand

According to the data submitted to the CREG, the load<sup>59</sup> on Elia's grid<sup>60</sup>, excluding power used by pumping power plants, in other words net consumption plus grid losses, was estimated at 77,161 GWh in 2014, compared with 80,534 GWh in 2013, which means a fall in annual load for the third consecutive year, this time of 4.2% compared to 2013. This is the lowest level seen for the last eight years. The peak 15-minute load in 2013 was estimated at 12,736 MW, compared with 13,385 MW in 2013 (source: Elia, for 2014, provisional data, February 2015).

Figure 12 shows the average monthly load on the Elia network for the years 2007 to 2014. After a steep reduction in the load from October 2008 following the economic crisis, which continued into 2009, levels recovered in early 2010. However, since May 2013, the average monthly load has been at its lowest level during the period under consideration. The average full-year load for 2014 is also lower than the six previous years. These figures have not been weighted for meteorological factors.

Local power generation by sites connected to the Elia network is not fully taken into account in these figures. Synergrid has estimated this local generation at 8.5 TWh in 2014 (9.0 TWh in 2013), i.e. a drop of 5.6% compared with 2013.

Figure 12: Average monthly load on the Elia network from 2007 to 2014 (Sources: Elia data, CREG calculations)



#### 3.2.2.2. Wholesale Generation Market Share

The table below provides an estimate, in both absolute value (in GW) and in relative value of the Belgian market shares in electricity generation capacity at the end of each year.

The table shows that Electrabel still has a substantial market share (67%) of total generation, although this market share

has declined in previous years. The second player in order of size is EDF Luminus, which has a market share of 12.5% in terms of generation capacity. The third player in terms of size in Belgium is the company E.ON, which has 6.77% of generation capacity. The fourth and fifth players are T-Power and Enel, each of which has a CCGT with a capacity of just over 400 MW. A gas-steam turbine of this size represents just under 3% of generation capacity in Belgium.

<sup>59</sup> The Elia network load is based on the injections of electrical power into Elia's grid. It includes the net generation from (local) plants injecting a voltage of at least 30 kV and the net balance of imports and exports. Power generating facilities connected to distribution systems at a voltage under 30 kV are only included if their net injection into the Elia grid is measured. The power needed to pump water into storage tanks in pumping stations connected to the Elia network is subtracted. Injections by decentralised power generating plants connected to distribution systems at a voltage under 30 kV are not included in the Elia grid load.

<sup>60</sup> The Elia network includes grids at a voltage of at least 30 kV in Belgium as well as the Sotel/Twinerg system in the south of the Grand Duchy of Luxembourg.

The HHI, a widely used concentration index, fell slightly again in 2014. It still remains very high at 4,600. By way of comparison, a market is considered to be highly concentrated if the HHI is equal to or higher than 2,000.

Table 11 provides the same estimate, but in terms of the power actually generated. In total, the facilities connected to the Elia grid generated almost 59.6 TWh in 2014, which represents a slight fall compared with 2013.

All major producers saw their market share down except for smaller producers. The unavailability of the Doel 3, Tihange 2

and Doel 4 nuclear power plants is the main reason for this. EDF Luminus was also affected by the unavailability of these two nuclear power plants.

Although it remains very strong, the dominant position of Electrabel declined slightly again in 2014 in terms of power generated.

Table 10: Wholesale market shares in electricity generation capacity (Sources: Elia data, CREG calculations)

(GW)	2007	2008	2009	2010	2011	2012	2013	2014	2007	2008	2009	2010	2011	2012	2013	2014
Electrabel	13.1	13.6	12.0	11.5	11.2	10.9	10.0	9.7	85%	85%	74%	70%	68%	67%	66%	66%
EDF-Luminus*	1.9	2.0	2.3	2.4	2.4	2.3	2.2	1.8	12%	13%	14%	14%	14%	14%	15%	12%
E.ON	0.0	0.0	1.4	1.4	1.4	1.4	1.0	1.0	0%	0%	8%	8%	8%	8%	7%	7%
T-Power	0.0	0.0	0.0	0.4	0.4	0.4	0.4	0.4	0%	0%	0%	3%	3%	3%	3%	3%
Enel	0.0	0.0	0.0	0.0	0.4	0.4	0.4	0.4	0%	0%	0%	0%	2%	2%	3%	3%
Others (< 2%)	0.4	0.4	0.5	0.7	0.7	0.9	1.1	1.3	3%	3%	3%	4%	4%	6%	7%	9%
<b>Total</b>	<b>15.3</b>	<b>16.0</b>	<b>16.1</b>	<b>16.3</b>	<b>16.4</b>	<b>16.3</b>	<b>15.0</b>	<b>14.7</b>	100%	100%	100%	100%	100%	100%	100%	100%
									<b>7,440</b>	<b>7,350</b>	<b>5,820</b>	<b>5,220</b>	<b>4,900</b>	<b>4,740</b>	<b>4,670</b>	<b>4,640</b>
									<b>HHI</b>							

\* The shares of SPE and EDF have been combined since 2010 given the takeover of SPE by EDF.

Table 11: Wholesale market shares in power generated (Sources: Elia data, CREG calculations)

(TWh)	2007	2008	2009	2010	2011	2012	2013	2014	2007	2008	2009	2010	2011	2012	2013	2014
Electrabel	71.2	65.8	69.4	62.4	58.0	49.8	48.9	39.8	86%	85%	81%	72%	72%	70%	69%	67%
EDF-Luminus*	9.3	9.4	12.2	12.2	9.3	8.5	8.8	7.8	11%	12%	14%	14%	12%	12%	13%	13%
Eneltrade	0.0	0.0	0.0	0.0	0.1	1.3	1.4	0.7	0%	0%	0%	0%	0%	2%	2%	1%
E.ON	0.0	0.0	1.3	8.8	8.5	7.8	6.9	6.3	0%	0%	2%	10%	11%	11%	10%	11%
Others (<2%)	2.1	2.2	2.6	3.0	4.3	4.1	4.4	5.0	3%	3%	3%	3%	5%	6%	6%	8%
<b>Total</b>	<b>82.6</b>	<b>77.4</b>	<b>85.5</b>	<b>86.5</b>	<b>80.1</b>	<b>71.5</b>	<b>70.3</b>	<b>59.6</b>	100%	100%	100%	100%	100%	100%	100%	100%
									<b>7,570</b>	<b>7,370</b>	<b>6,800</b>	<b>5,520</b>	<b>5,490</b>	<b>5,120</b>	<b>5,090</b>	<b>4,750</b>
									<b>HHI</b>							

\* The shares of SPE and EDF have been combined since 2010 given the takeover of SPE by EDF.

### 3.2.2.3. Energy Exchange

#### • Belpex Market Regulation

The Belpex was created in January 2006 to organise the Belgian electricity exchange, a platform where transactions relating to electricity trading to be delivered by means of injection and/or offtake can be conducted in the Belgian control area. Its formation went hand-in-hand with the launch of the first coupling of markets between the Netherlands, Belgium and France.

On 15 July 2014, the CREG received a request for advice from the Secretary of State for Energy on Belpex's proposal for amendment of its market regulation.

This proposal was submitted following the creation of a strategic reserve mechanism (see also 3.4.5.1. hereof) whereby (part of) the strategic reserve may be allocated to the Belpex Spot Market to cover, as far as possible, non served debit orders while subject to a maximum price.

The amendments to the market regulations involve the creation of a Belpex SRM market segment and a «Strategic Reserve Participant» status as well as a number of clarifications and improvements to the current market regulation.

The CREG issued a favourable evaluation<sup>61</sup> of the application submitted by Belpex and recommended approval of the proposed Belpex market regulation changes.

#### • CWE Market Coupling

Despite the gradual coupling of markets, price convergence in the CWE (Centre-West Europe) region has clearly not materialised, particularly over the last three years. Several factors could explain this observation, such as the shut-down of several Belgian nuclear power plants over recent years (see 3.2.2.2 hereof).

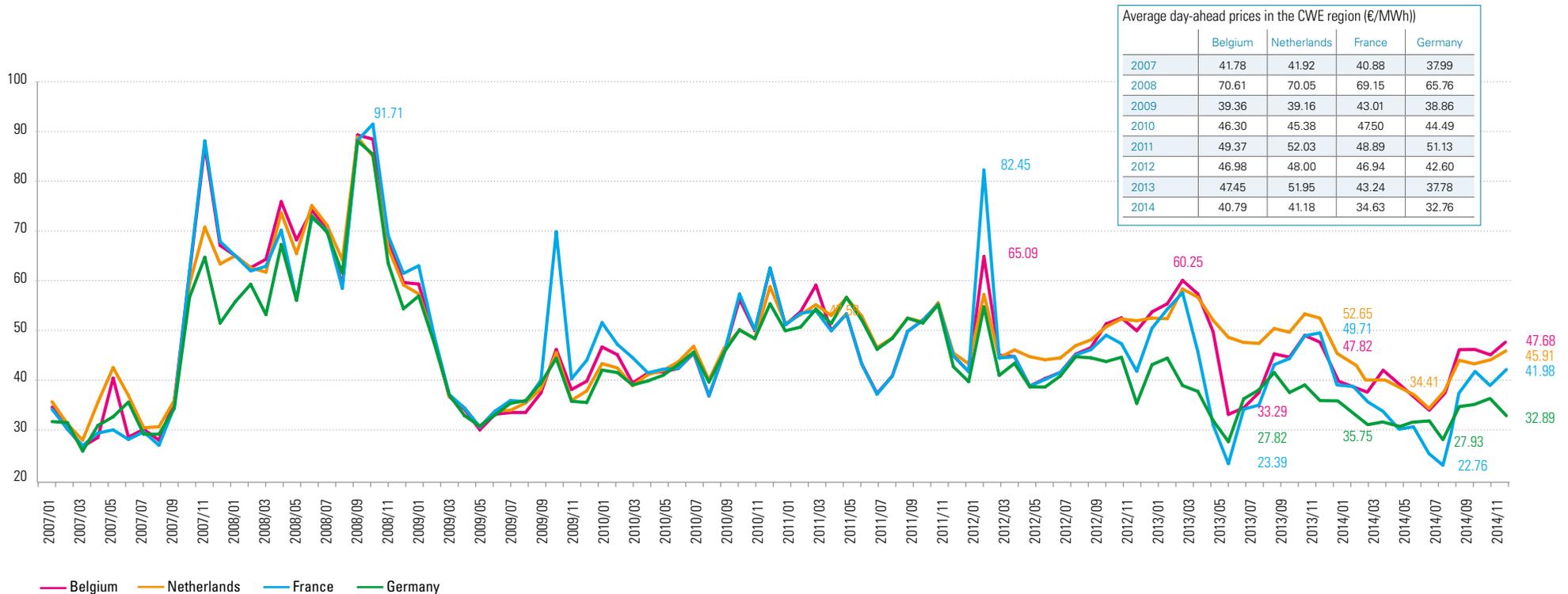
In general terms, the highest average prices over the period studied (2007-2014) were seen in the CWE region in 2008, a year not only of tariff inflation but also the first year of the financial and economic crisis. Later on, average prices dropped concomitantly, reaching their lowest level in August 2014, the month when prices were the lowest for France. In 2014, price convergence between markets has declined on average between Belgium, France and Germany. By contrast, it has improved slightly between Belgium and the Netherlands. Over the last four years, the average annual price in the Netherlands was always higher than that for Belgium, France and Germany. Germany saw a sharp reduction in its average price, reaching a new low in 2014. The wholesale price on the short term market fell notably in the four countries, with the largest drop in the Netherlands, by 20.7%.

With the exception of February 2012, an extremely cold period, Belgian and French prices converged a great deal over the two years from July 2010. However, from August 2012, tariff convergence lessened each month, particularly due to the closure of several Belgian nuclear power plants. This trend was accentuated and even accelerated in 2014. Among the four countries, price convergence between Belgium and Germany is the weakest. The decrease in price convergence first appeared in late 2012 and continued into 2014, when the convergence between Germany and France decreased sharply, while convergence with the Netherlands increased. This drop in price convergence is probably due in large part to the unavailability of a significant part of Belgian nuclear capacity from August 2012.

The February 2012 price peak, resulting from the cold snap, was not observed in 2013 or 2014 to the same extent, despite the unavailability of several Belgian nuclear power plants. Thanks to coupling with foreign markets, Belgian short-term prices continued their general downward trend but to a lesser extent.

61 Opinion (A)140819-CDC-1351 on the request for approval of the amendments proposed by Belpex to the Belpex market regulation. The ministerial decree approving the amendments to market regulation on energy block trading was promulgated on 7 July 2014 (Official Journal of 12 September 2014).

Figure 13: Monthly average prices on the Belpex, APX, EPEX FR and EPEX GE exchanges between 2007 and 2014 (€/MWh) (Sources: CREG, Elia, APX, Powernext, EEX)



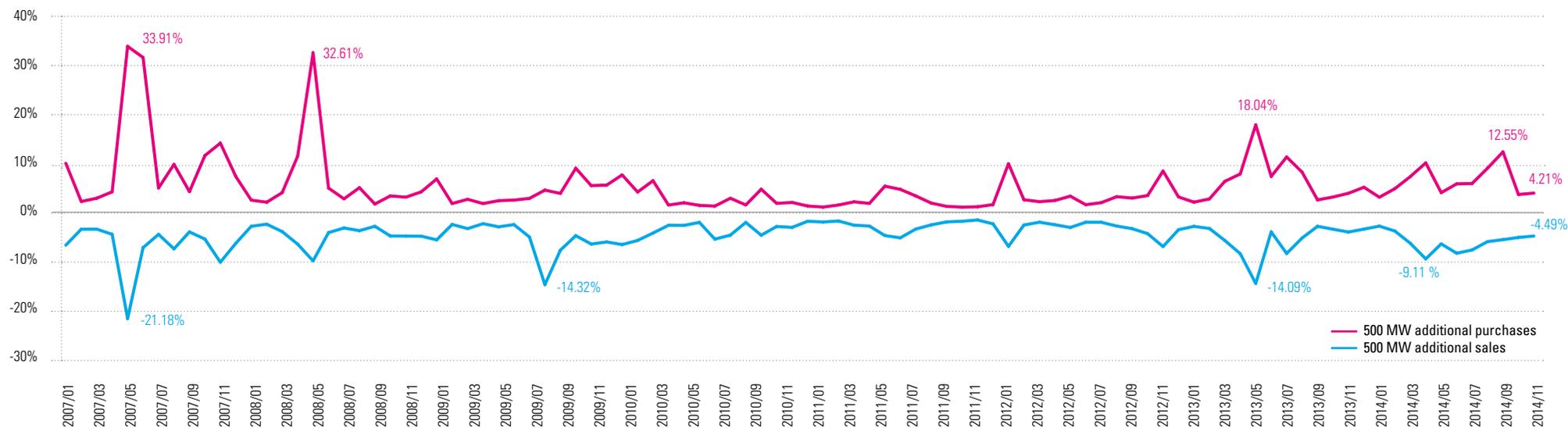
The total volume traded on the Belpex DAM was 19.8 TWh in 2014, compared with 17.1 TWh in 2013, which confirmed the increase seen since 2009. The volume traded on Belpex equates to 25.6% of the total offtake from the Elia grid. The sharp rise in the volume traded occurred mainly during the period when several nuclear power plants were unavailable for long periods, from 2012.

At the end of 2014, there were 42 stakeholders involved in the Belpex DAM, the same as in 2013.

The sensitivity of the electricity price to additional purchase volumes (market depth) is an important factor. Figure 14 illustrates this sensitivity of the Belpex DAM price, i.e. the relative average monthly rise or fall in the price if an additional 500 MW were to be bought or sold. The greater the market sensitivity, the more

easily the price can be manipulated. This figure shows that the high sensitivity of the price in 2007 and early 2008 disappeared until the end of 2012 (except for February). This is evidence that the market was far more resilient in coping with additional supply and demand. In 2013, as in 2014, but to a much lesser extent, the market showed a relative sensitivity of rising prices due to lower supply in Belgium because of the unavailability of three nuclear power plants.

Figure 14: Average monthly market resilience of Belpex from 2007 until 2014 (Sources: Belpex, CREG)



Since March 2008, Belpex has also organised an intra-day exchange on which market players can exchange energy on an intra-day basis. The table below shows that the volume traded is increasing each year. The fact that the Belpex intraday exchange was implicitly coupled with the Dutch exchange in 2011 may have had a positive influence on the volumes traded.

The table also shows that the 2014 average price on the intraday market increased very slightly, reaching 42.5 Euros/MWh, i.e. comparable to 2009. The intraday prices are higher than the day-ahead prices, mainly owing to the fact that there are

more intraday transactions during peak hours, when prices are inevitably higher.

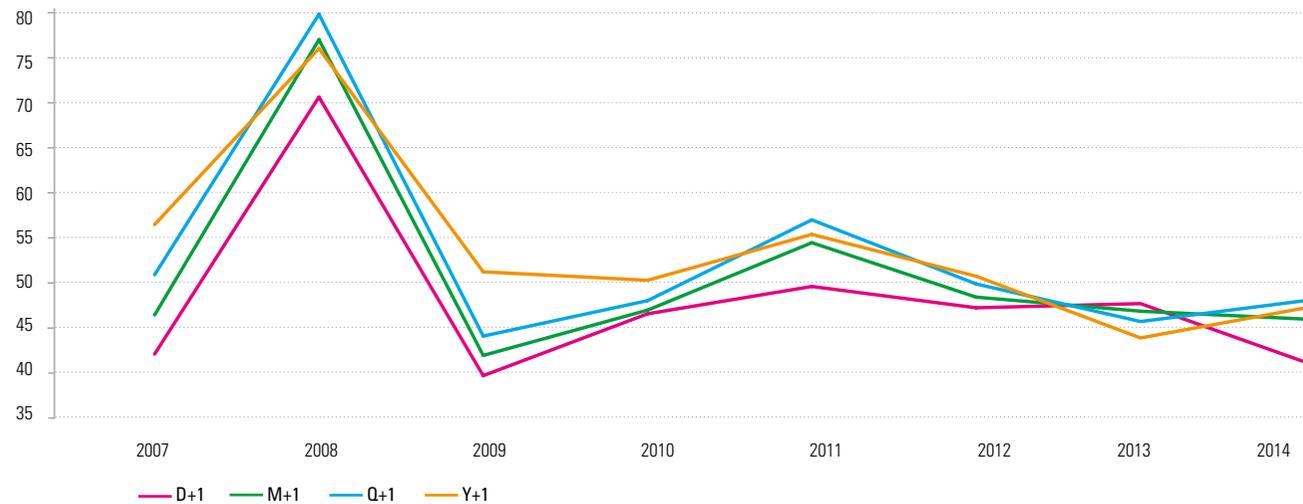
Figure 15 compares wholesale prices for short-term and long-term contracts. The long-term contracts considered are contracts for the following month (M+1), the following quarter (Q+1) and the following year (Y+1). The figure gives the average transaction price per calendar year per product. It shows that long-term prices are undergoing changes different to those experienced by short-term prices (D+1). With the exception of 2013, long-term prices (Y + 1) are on average higher than short-term prices (D + 1) for the same

transaction period. In 2013, one MWh of electricity to be supplied the following month was on average 12.1% more expensive than power to be supplied the following day. For supplies to be made the following quarter and the following year, this percentage was 17.2% and 15.0% respectively. Compared to 2013, average D + 1 and M + 1 prices are falling and average Q + 1 and Y + 1 prices are rising. For the four periods, Q + 1 average prices were higher in 2014. For the period 2007-2014 as a whole, one MWh for the following month, the following quarter and the following year was on average 6.2%, 10.2% and 12.2% more expensive than a day-ahead contract.

Table 12: Energy exchanged and average price on the intraday stock market (Source: Belpex data)

Belpex Intraday	2008	2009	2010	2011	2012	2013	2014
Market Price (Euros/MWh)	84.5	41.8	49.9	55.6	51.7	52.4	42.5
Volume (GWh)	89.2	187.2	275.5	363.5	513.2	651.0	768.2

Figure 15: Comparison of wholesale prices for short-term and long-term contracts (€/MWh) (Sources: Belpex data, EEX, APX, CREG calculations)



#### • Study on the governance of energy exchanges

The governance of the day-ahead and intraday markets is a key element of the implementation of the target Model of the European Union. The completion of the European regulations for capacity allocation and congestion management (CMAC) (see 5.7.5.) led to many discussions about possible avenues for such governance. The CREG outlined its views on this important issue in a study<sup>62</sup>. The study also calls for the creation of a Market Coupling entity for the rapid implementation of the target model of the European Union. The study recommends that, instead of taking the direction of compulsory competition between several energy exchanges within the same auction areas, national regulatory authorities / Member

States regulate national energy exchanges, in accordance with provisions of the third European energy package.

#### 3.2.2.4. REMIT

The REMIT regulation (Regulation on wholesale Energy Market Integrity and Transparency) set out a series of instructions aimed at preventing and punishing market abuse in the wholesale energy sector. Since 28 December 2011, market stakeholders have had to comply with REMIT's basic rules, but the creation of coordinated monitoring structures (registering market stakeholders, data collection, monitoring, sanctions) will not start to be operational until the beginning of 2014.

At European level, the European Commission adopted, on 17 December 2014, implementing acts through the so-called comitology procedure, so as to determine the precise data that will have to be reported (orders and transactions in particular). After ACER published recommendations on the subject in October 2012, the European Commission presented a first draft in the autumn of 2013 during a workshop organised in Brussels. The texts adopted were published in the Official Journal dated 18 December 2014<sup>63</sup>. The entry into force of the obligation to register and report starts twenty days after the publication of the Regulation in the Official Journal of the European Union.

Meanwhile, ACER has produced a series of discussion documents for stakeholders, especially on information sharing and the publication of information extracted from the European operators register.

As regards Belgium, legislative action is required to make the regulations compliant with the requirements set forth by REMIT<sup>64</sup>. Although preliminary discussions began in 2013, it took until 2014 for legislative adoption resulting from a law passed on 8 May 2014 (see 2.5. hereof).

During 2014, the CREG continued the tests using ACER's CE-REMP (Central European Registry for Energy Market Participants) registry module to be used by the CREG. During 2014, the CREG also made the necessary modifications to the IT infrastructure, firewall and VPN. The final tests are currently being conducted in cooperation with ACER. On 11 June 2014, the CREG signed the Service Level Agreement (SLA).

62 Study (F)140130-CDC-1289 on governance of energy exchanges: competition or regulation?

63 Commission Implementing Regulation (EU) No. 1348/2014, dated 17 December 2014, on data reporting under Article 8, paragraphs 2 and 6 of Regulation (EU) No. 1227/2011 of the European Parliament and the Council on the integrity and transparency of the wholesale energy market (OJEU of 18 December 2014).

64 See study (F)20906-CDC-1168, discussed in annual report 2012, page 27.

### 3.2.2.5. Charter of Best Practices for Electricity and Gas Price Comparison Websites

The charter of best practices for electricity and gas price comparison websites, finalised in July 2013 (see annual report 2013, page 44) includes a number of recommendations based on criteria that a good quality price comparison website should meet. Price comparison website service providers can voluntarily endorse this charter, thereby undertaking to comply with the best practices. Charter signatories that fail to meet its provisions will be subject to the penalties stipulated in the law of 6 April 2010 on market practices and consumer protection.

In 2014, the CREG oversaw the proper application of the charter by the service providers that had endorsed it. Following verification of compliance with the charter, the CREG granted the charter label to BRUSIM, CWAPE, MES FOURNISSEURS, MON ENERGIE, TEST-ACHATS in March 2014, to VREG in May 2014 and to COMPARATEUR-ENERGIE in December 2014. Currently, seven electricity and natural gas price comparators comply with the requirements of the charter.

### 3.2.3. Supply Price Recommendations

In a press release dated 11 December 2014, the CREG stated that the potential savings on energy bills for the self-employed and small and medium enterprises in Belgium were significant and advised them to compare the prices of different suppliers.

It is clear from an analysis of the energy bills of SMEs presented by the CREG during the workshop organized at its

premises on 11 December 2014 (see also 5.7. hereof) that there is considerable savings potential for the self-employed and SMEs in Belgium, but that the target group is not yet sufficiently aware of this. Calculations based on the portfolio of products in November 2014 showed that 76% of them have a minimum savings potential of 500 Euros per year for electricity and that 8.5% even have a minimum savings potential of 1,000 Euros. In terms of minimum saving potential for natural gas, it reached 400 Euros per year for 78.5% of the self-employed and SMEs, and even 600 Euros for 12% of them.

## 3.3 Consumer Protection

The CREG continued to stress the consumer protection aspect of its work in 2014.

It addressed, on a voluntary basis, questions and complaints referred to it and cooperated with the federal and regional energy mediation complaints services (see 5.5. hereof).

The CREG also continued to publish the "Overview of and trend in electricity and gas prices for household customers and SMEs", which emphasises the energy component and the comparison of Belgian all-in prices with those in neighbouring countries (the Netherlands, Germany and France) and the UK (see 3.2.1.2 hereof), and its "Monthly scoreboard for electricity and gas" (see 3.1.2.3 hereof) on its website.

The CREG also publishes the monthly TTF101 and TTF103 listed gas prices and the quarterly indexing parameters of the variable products used by each supplier and controlled by the CREG.

Given its role as a market facilitator and to avoid the risk of inaccuracies in the publications of suppliers, CREG decided to group electricity and natural gas transmission and distribution tariffs applied from January 2014. The tables published on its website from January 2014 enable customers connected to the low voltage electricity network and gas customers with an annual statement meter to access clear information to verify and better understand their electricity and natural gas bills.

The CREG completed the tables in February 2014 by adding the values of applicable federal and regional surcharges.

In 2014, CREG also conducted and published a study on group purchases (see 3.2.1.1. hereof), highlighting the consequences of such purchases for participating consumers.

All these publications are intended to provide the consumer with better information on the prices in force in the retail market as well as their evolution.

Lastly, readers are referred to 5.8.2 and 5.8.3, which provide details of the work carried out by the CREG within the ACER working groups of the CEER and European Commission dealing with aspects relating to consumer protection in the field of energy.

## 3.4 Security of Supply

### 3.4.1. Monitoring the Balance Between Supply and Demand

#### • Demand<sup>65</sup>

The load on the Elia network was 77.2 TWh in 2014 compared with 80.6 TWh in 2013, equal to a 4.2% drop between 2013 and 2014.

Table 13: Elia network load (power and peak capacity) for the period 2007-2014 (Source: Elia, 2014: provisional data)

	Energy (GWh)	Peak capacity (MW)
2007	86,619	14,033
2008	87,760	13,431
2009	81,575	13,513
2010	86,501	13,845
2011	83,350	13,201
2012	81,717	13,369
2013	80,534	13,446
2014	77,161	12,736

#### • Generation

##### ■ Installed Capacity and Generated Power

During the year 2014, the installed capacity connected to the Elia grid declined compared with 2013, from 15,325 MW to 14,591 MW. Only a limited capacity in terms of new units came into service in 2014 (mainly offshore wind turbines - see 3.1.1.2 hereof). In 2014, 946 MW of capacity was taken out of service (mainly the Vilvorde and Seraing CCGTs, which were partially recovered in the strategic reserve).

Table 14: Breakdown of the installed capacity in Belgium connected to the Elia grid as at 31 December 2014 (Source: Elia)

Power plant type	Installed capacity	
	MW	%
Nuclear plants	5,926	40.6
CCGT and gas turbines	3,927	26.9
Conventional power plants	785	5.4
Co-generation	837	5.7
Incinerators	230	1.6
Diesel engines	5	0.0
Turbojets	219	1.5
Hydro (excluding pumping power plants)	86	0.6
Pumping power plants	1,308	9.0
Onshore wind turbines	176	1.2
Offshore wind turbines	707	4.8
Biomass	385	2.6
<b>Total</b>	<b>14,591</b>	<b>100.0</b>

Table 15: Breakdown by primary energy type of electricity produced in 2014 by plants located on sites connected to the Elia network

Primary energy	Power generated	
	GWh	%
Nuclear <sup>1</sup>	32,094	52.5
Natural gas <sup>1</sup>	16,320	26.7
Coal <sup>1</sup>	3,172	5.2
Fuel <sup>1</sup>	0	0.0
Other self-generated power used locally <sup>3</sup>	1,519	2.5
Hydro (including pumping power plants) <sup>1</sup>	1,347	2.2
Others <sup>1</sup>	6,648	10.9
<b>Total<sup>2</sup></b>	<b>61,100</b>	<b>100.0</b>

<sup>1</sup> Source: Elia, provisional data)

<sup>2</sup> Source: Synergrid, provisional data

<sup>3</sup> Source: CREG calculations (values not supplied by Elia)

65 The demand under consideration here is the Elia network load, calculated as the balance of net power generation injected into the Elia network, imports and exports, minus the energy pumped by pumping power plants. It is therefore the sum of net offtake plus network losses.

### 3.4.2. Monitoring TSO Investment Plans

The TSO has to draw up a plan for the development of the electricity transmission grid in conjunction with the Directorate General for Energy of the FPS for Economy, SMEs, Self-Employed Workers and Energy and the Federal Planning Bureau. The draft development plan has to be submitted to the CREG for an opinion.

The plan covers a period of ten years and has to be updated every four years. It includes a detailed estimate of transmission capacity needs. In addition, the development plan defines the investment programme to be implemented by the TSO and takes account of the need for adequate reserve capacity and projects of common interest defined by the institutions of the European Union with regard to trans-European grids.

In this context, the most recent version, drawn up in 2010, was submitted to the CREG for an opinion in October of the same year (Annual Report 2011, page 41). The final version of the 2012-2020 development plan was approved by the Minister for Energy on 14 November 2011.

Given that Elia did not submit a new version of the development plan in 2014, the CREG was not asked for an opinion on the new development plan in 2014.

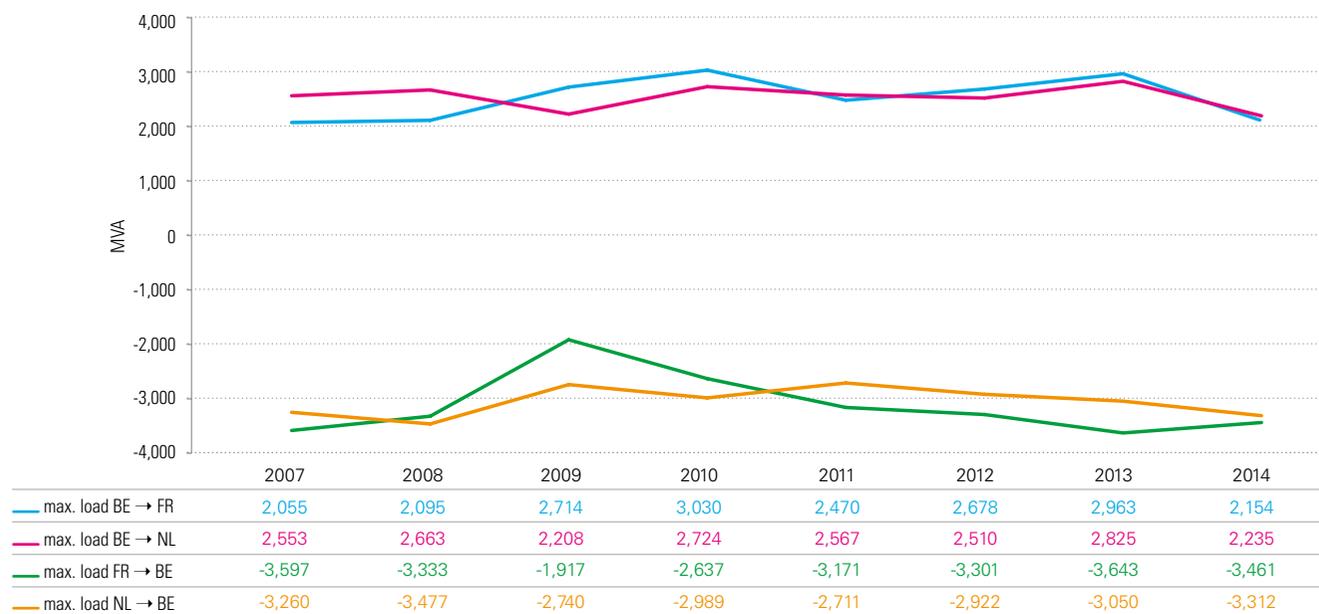
The CREG did however continue to monitor fulfilment of the planned investment in network infrastructure in 2014.

### 3.4.3. Operational Security of the Grid

A substantial proportion of the physical energy flows comes from cross-border transits of electricity crossing the Belgian grid. According to Elia, physical transits amounted to approximately 3.9 TWh in 2014, representing an decrease of 2.3 TWh compared with 2012.

The graph below illustrates the changes in the maximum physical load for the interconnectors with France and the Netherlands.

Figure 16: Changes between 2007 and 2013 in the maximum physical load for the interconnections with France and the Netherlands (Source: CREG, based on Elia data)



On both the French and Dutch borders, peak flow occurs when the direction is from the neighbouring country into Belgium.

Peak flow from France has once again increased over recent years, after dropping significantly in 2009, the year when phase-shifting transformers became fully operational on the Dutch border for the first time. Peak flow from France decreased to 3,461 MVA in 2014. This is lower than 2012, when the peak was 3,643 MVA. The frequency of peak flows from France is decreasing. Thus, in 2014, no peak flow over connections with France was greater than the highest value recorded in 2013.

Peak flows with the Netherlands have meanwhile also once again increased, reaching 3,312 MVA in 2014. Thus the peak value of 2014, 3,050 MVA, was exceeded thirty two times.

To be able to cope with difficult situations, coordination with the neighbouring TSOs once again appears to be essential. Coreso, the first regional technical coordination centre shared by several TSOs, created on 19 December 2008 by the Belgian and French TSOs (Elia and RTE), probably plays a major role here. The National Grid (the British TSO) became a member of Coreso in mid-2009 and Terna (the Italian TSO) and 50 Hertz (TSO of northern and eastern Germany) have been members since late 2010.

#### 3.4.4. Investment in Cross-Border Interconnections

Elia's short- and medium-term ambition is to strengthen existing interconnections with the Netherlands and France and to develop new interconnections with the United Kingdom, Germany and the Grand Duchy of Luxembourg.

##### • Planned strengthening of the northern border (BRABO project)

To respond to the current context of security of supply, «Ampacimon» modules were first installed on existing links with the Netherlands for winter 2014-2015. Placing these modules, which monitor the actual transmission capacity of lines via a thermal image of the conductors enables Elia to make maximum use of these connections to their actual limits.

In addition, a further phase shifting transformer will be placed in the short-term in Zandvliet. The total number of phase shifting transformers on the links with the Netherlands will be extended to four (two in the Van Eyck substation in Kinrooi and two in the Zandvliet substation). This will allow more balanced use of the links.

A second 380 kV three-phase circuit will also be set up between the substations of Zandvliet Doel via an upgrade of the existing 150 kV link.

These enhancements will be carried out during 2016 and will enable an additional 1,000 MW to be imported from the Netherlands.

##### • Planned strengthening of the southern border

To respond to the current context of security of supply, «Ampacimon» modules were also installed on existing links with France for winter 2014-2015.

In the medium term (2020), the links with France shall nonetheless require more structural reinforcements to continue to facilitate the operation of the market. The planned strengthening involves replacing the existing conductors on the above-mentioned link with so-called «high performance» conductors<sup>66</sup>, in order to increase the capacity of the southern border by about 1,000 MW.

##### • Planned Interconnection Between Belgium and the United Kingdom (Project NEMO)

The NEMO project involves the construction of a 1,000 MW direct current submarine cable about 135 km long. This project will connect Richborough in the UK to the «Gezelle» substation, which is part of the STEVIN project erected in Bruges.

This project is included in the list of «Projects of Common Interest» (PCI) of the European Commission<sup>67</sup>, confirming its general importance in the context of European energy policy and the need to strengthen the electrical infrastructure derived therefrom.

For Belgium, this means that energy can be exchanged directly with the UK, which should lead to greater security of supply in view of the diversification offered by a new interconnection.

<sup>66</sup> High performance or HTLS (high-temperature low-sag) conductors expand less than conventional conductors when operating at higher temperatures. More power can therefore be carried in the conductors and connection capacity is thereby increased.

<sup>67</sup> Delegated Regulation (EU) n° 1391/2013 of the Commission of 14 October 2013 amending Regulation (EU) No 347/2013 of the European Parliament and of the Council on guidelines for trans-European energy infrastructure, regarding the list of projects of common interest of the Union.

Elia plans to start work in 2016 for technical delivery of the new connection for the end of 2018 and the start of commercial operation in 2019.

• **Planned Interconnection Between Belgium and Germany (Project ALEGrO)**

In this project, named ALEGrO (Aachen Liège Electric Grid Overlay), a DC cable with a capacity of about 1,000 MW will be installed over a distance of about 100 km between the substations of Lixhe (Visé) in Belgium and Oberzier in Germany. This project is also included in the list of Projects of Common Interest of the European Commission.

This new interconnection will contribute mainly, thanks to the market diversification it offers through direct energy exchange between Belgium and Germany, to an increase in security of supply and will also facilitate further market integration, resulting in price convergence within the CWE region. Moreover, AlegrO can play an important role in the integration of an increasing number of renewable energy sources.

The project is currently in the development phase. The launch of the implementation phase is planned for late 2015. Elia plans to obtain the remaining permits in 2016 in order to start work in 2017 and to launch its commercial operations in 2019.

• **Planned Interconnection Between Belgium and the Grand Duchy of Luxembourg**

The transmission system of the Grand Duchy of Luxembourg is currently split into two parts: the first (Sotel) connected to the Belgian network (Elia) and the French network (RTE) and the second connected to the German network (Amprion). At present there is no direct connection between the two parts in normal network operations.

This structure must be adapted and extended for better integration of the Luxembourg transmission system with the European network. This integration will improve security of supply to the Grand Duchy of Luxembourg and increase the interconnection capacity between Germany, Luxembourg and Belgium in this region.

By the end of 2015, Creos shall install a phase shifting transformer on the Luxembourg network at the Schifflange substation (LU) to create a direct connection between the substations of Aubange (BE) and Schifflange (LU). This phase shifting transformer shall still be part of the Belgian control area, at least until 31 December 2020 and will be managed until then by Elia.

The phase shifting transformer can control transit flows between Belgium, Luxembourg and Germany and thus operate a first interconnection between Belgium and Luxembourg, in order to achieve an interconnection capacity of 300-400 MW.

Initial results of the study show, according to Elia, that a continued increase in interconnection capacity between Belgium and Luxembourg is only possible in the long term if an additional connection is made. An installation of two 220 kV cables between the substations of Aubange (BE) and Bascharage (LU), with optional phase shifting transformers to control total flow, is currently under review. Interconnection capacity could therefore increase to 700 MW.

**3.4.5. Measures to Cover Peak Demand and To Deal with Shortfalls**

**3.4.5.1. Strategic Reserve**

The Law of 26 March 2014<sup>68</sup> amended the Electricity Law by inserting a chapter on the strategic reserve. This law is explained in point 2.2. of this annual report.

In this context, the Directorate General of Energy, the electricity transmission network operator (Elia) and the CREG, entered into an agreement on 21 March 2014 on the implementation calendar for 2014 for the strategic reserves.

It was on the basis of this calendar, in particular, and in implementation of the Law of 26 March 2014 that the Ministerial Decree of 3 April 2014, instructing Elia to develop a strategic reserve from 1 November 2014, was enacted (discussed also in 2.2. hereof).

On 24 April, 2014, the CREG made a statement<sup>69</sup> on the draft procedure for establishing strategic reserves prepared by Elia for winter 2014-2015.

The operating rules of the strategic reserve were also submitted by Elia for the approval of the CREG which, following a consultation<sup>70</sup>, decided<sup>71</sup>, on 5 June 2014, to approve the proposed operating rules of Elia's Strategic reserve for the winter period 2014-2015, however, with a number of adaptations made to the proposal.

On 25 July 2014, the CREG received the Elia report on the bids received under the tender organized in June 2014 for the establishment of the strategic reserve. This report contains data on the bid prices and volumes submitted and a technical and economic selection of the bids. In accordance with the law, the CREG issued an opinion<sup>72</sup>, indicating whether or not the prices of the proposed combination of bids for the supply of the strategic reserves was clearly unreasonable.

Following this opinion, the Royal Decree of 11 September 2014 (Official Journal of 26 September 2014), imposed price and volume conditions on E.ON Generation Belgium for the supply of the strategic reserve from 1 December 2014 for a period of three years.

The terms and conditions of the contracts of the access responsible parties were also adapted to ensure their compliance with the strategic reserve mechanism (see 3.1.3.3.A.b) hereof).

#### 3.4.5.2 Call for Tenders for the Establishment of New Power Generation Facilities

The call for tenders for the establishment of new open or combined cycle gas power generation plants in Belgium to ensure security of supply and the organizing specifications followed the Ministerial Decree of 18 November 2013 on the use of the tender procedure pursuant to Article 5 § 2 of the Law of 29 April 1999 on the organization of the electricity market, noting the need for the tendering procedure in order to address the security of supply deficit.

This ministerial decree found that the security of power supply in Belgium cannot be ensured by existing generation capacities and generation capacities under construction, by efforts to manage energy demand/efficiency and by the development of interconnections.

On this basis, the Directorate General for Energy established a specification to attract the necessary investments to guarantee security of supply in Belgium, in accordance with the objectives of Belgian energy policy and in accordance with the Royal Decree of 8 December 2013 on the terms and conditions of the call to tender procedure under section 5 of the Law of 29 April 1999 on the organization of the energy market<sup>73</sup>. The Directorate General for Energy is also responsible for selecting the bidders who responded to the call for tenders for the establishment of new electricity facilities in Belgium to ensure security of supply.<sup>74</sup>

The specification provides four weighted selection criteria:

- annual maximum amount of financial support requested (70%)
- industrial commissioning date (15%)
- contribution to operation of a competitive Belgian generation market (10%)
- technical quality of the project (5%)

The evaluation of the criterion of contribution to operation of a competitive Belgian generation market is based on the existing generation capacities of each candidate. To determine the existing production capacity of the candidates in Belgium, the Directorate General of Energy asked the CREG to carry out a study<sup>75</sup> on this subject.

The Law of 15 May 2014 amending the Electricity Law on the tender procedure for the establishment of new power generation facilities and the funding of measures for the production of electricity and amending the organic law of 27 December 1990 establishing budgetary funds, is discussed in 2.7. hereof.

69 Note (Z)140424-CDC-1327 on the draft procedure for the establishment of strategic reserves.

70 Draft decision (B)140512-CDC-1330 on Elia's proposal concerning the rules for operation of the strategic reserve.

71 Final decision (B)140605-CDC-1330 on the proposal of Elia System Operator S.A. on the operating rules of the strategic reserves.

72 Opinion (RA) 140828-CDC-1358 on the obvious unreasonableness or otherwise of the prices offered to Elia System Operator S.A. for the supply of the strategic reserve in response to the call for tenders, dated 10 June 2014. The CREG analysed the obvious unreasonableness or otherwise of the tenders and the selection of bids submitted by Elia at the end of the bidding procedure launched on 10 June, 2014 for the establishment of a strategic reserve of 800 MW during the next three winter periods (ministerial order of 3 April 2014), increased after the close of the call for tenders, by 400 MW (Ministerial Decree of 16 July 2014) for the next winter, following the probable unavailability of the Doel 3 and Tihange 2 Nuclear plants.

73 The CREG had issued an opinion in 2013 on the draft royal decree on the terms of a tender procedure (see Annual Report 2013, page 8).

74 [http://economie.fgov.be/fr/entreprises/energie/electricite/Liberalisation\\_marche\\_electricite/Production\\_electricite/procedure\\_nouvelles\\_installations/#.VEUNzjhd5aR](http://economie.fgov.be/fr/entreprises/energie/electricite/Liberalisation_marche_electricite/Production_electricite/procedure_nouvelles_installations/#.VEUNzjhd5aR)

75 Study (F)140828-CDC-1355 on determining the market shares of the bidders who responded to the call for tenders for the establishment of new power generating facilities in Belgium.

### 3.4.5.3. Shortage of Electricity and Load Shedding Plan

- **Study on the Belgian wholesale market in the event of scarcity and shortage of electricity**

The CREG has no explicit legal remit to make decisions directly to guarantee security of supply in Belgium. However, the CREG remit covers, among other things, monitoring and control of the transmission network operators and the operation of the market. The study<sup>76</sup> that the CREG carried out in September 2014 must be understood in this context and was intended to inform the market and make recommendations so that the market can, as far as possible, ensure security of supply.

The study concludes that in the event of problems of security of supply, an efficient network operator and a market that functions properly can provide a large part of the solution.

The TSO must offer maximum interconnection capacity to the market; the limit of 3,500 MW of commercial import capacity is not an *a priori* guarantee of optimal use of the interconnection. Furthermore, the network operator must on a daily basis evaluate the need to allocate additional capacity to the intra-day market.

Market players should receive adequate price signals: an imbalance tariff of 4,500 Euros per MWh in the event of activation of strategic reserves and a structural shortage,

and a movement towards partially unforced and selective load shedding.

- **Exceptional procedure for the calculation of transfer capacities following the scarcity of electricity in Belgium**

By decision<sup>77</sup> of 18 December 2014, the CREG approved Elia's proposed amendment to the general plan for calculation of the total transfer capacity introduced as part of market coupling in the CWE region, an amendment applying to the optimization of NTC Capacities on the various borders of the CWE region in the event of risk of load shedding in Belgium.

The CREG's approval only applies, however, for a transitional period, starting on 14 December, 2014 and ending on 31 March 2015, provided that Elia makes every effort to meet the conditions set by the CREG.

- **CREG hearings**

The CREG had a hearing with the Commission of Economy of the Chamber of Representatives<sup>78</sup> and with the Walloon Parliament<sup>79</sup>, respectively, on 24 September 2014 and 23 October 2014 on the problem of electricity supply and the load shedding plan.

During the hearing with the Commission of Economy, questions were raised concerning the consequences, in terms of

liability, of a possible targeted load shedding of some areas. On this occasion, the CREG emphasized the «extremely complex» nature of the situation, because of the number of stakeholders in the chain, all the way to the consumer, and the diversity of contracts - regulated and unregulated - to be considered; the CREG also submitted the idea of creating, with sector players, a working group that would be tasked with analysing, in terms of civil liability, the interaction of different contracts.

The CREG also proposed that the members of the Commission of Economy send it a legal memorandum analysing how «regulated contracts» address the issue of liability. This legal memorandum analysing the provisions of regulated contracts for application of a load shedding plan in the event of power shortage was adopted by the Board of Directors in its session of 21 October 2014 and forwarded to the commission.

76 Study (F)140908-CDC-1352 on the Belgian wholesale market in the event of scarcity and shortage of electricity.

77 Final decision (B)141218-CDC-1390 on the request for approval of Elia's proposal on the exceptional procedure for calculating transfer capacities following electricity scarcity in Belgium.

78 The report is available at <http://www.lachambre.be/doc/CCRI/pdf/54/ic008.pdf>.

79 The report is available at [http://nautilus.parlement-wallon.be/Archives/2014\\_2015/CRAC/crac25.pdf](http://nautilus.parlement-wallon.be/Archives/2014_2015/CRAC/crac25.pdf).

# 4. The Natural Gas Market



## 4.1. Regulation

### 4.1.1. Natural Gas Supply

#### 4.1.1.1. Federal Natural Gas Supply Permits

The supply of natural gas to customers (distribution companies or end customers whose gas offtake at each supply point permanently amounts to a minimum of one million m<sup>3</sup> per year) established in Belgium is subject to the prior granting of an individual permit issued by the Minister for Energy (except when it is carried out by a distribution company on its own distribution network).

The federal permit application dossiers are sent to the CREG which examines the criteria and then sends its opinion to the Minister for Energy.

In this context, the CREG gave ten positive opinions, following applications submitted by Lampiris<sup>80</sup>, Eni gas & power<sup>81</sup>, Electrabel Customer Solutions<sup>82</sup>, Electrabel<sup>83</sup>, Eni<sup>84</sup>, E.On Global Commodities<sup>85</sup>, Statoil<sup>86</sup>, Vattenfall Energy Trading Netherlands<sup>87</sup>, GasTerra<sup>88</sup>, and Wintershall Holding<sup>89</sup>. These applications and opinions have all resulted in the granting of ministerial decrees.

In 2014, total natural gas consumption<sup>90</sup> amounted to 160.4 TWh, which represents a slight drop of 12.5% compared with consumption in 2013 (183.2 TWh). This decrease is the result of reduced consumption of natural gas in all consumer segments. We can observe a slightly lower consumption for end customers connected to the distribution networks (-18.7%), a sharp reduction in consumption for the generation of electricity (possibly combined with heat production) (-6.7%) and a limited reduction in consumption by industrial customers (-3.8%).

In 2014, two additional companies began to supply the wholesale market in natural gas: Direct Energie Belgium and Enel Trade S.p.A. If we include the takeover or integration of transmission operations in a business of the same group, twenty-two companies were active last year on the Belgian natural gas transmission market.

Although each of these companies has seen a decline in part of their market share, the top three supply companies have not changed in 2014, nor has their respective ranking. GDF Suez still occupies first place, with a market share of 30.8% (-1.9%). Eni is ranked in second place with 28.9% of the market share (-2.5%). EDF Luminus was not able to repeat its previous years' successes during which it systematically benefited from limited growth: it lost 1.3% taking it to 9.6% of the market share.

Statoil, in fourth place, is the company which has seen the largest increase in 2014 by managing to almost double its market share, going up to 6.6%.

Wenger's has seen an increase in volume of 1.4% in 2014, taking it to 5.7% of the market share.

For the first time in 2014, five companies had a market share greater than 5%. RWE Supply & Trading came sixth in the ranking, 4.5% (+0.3%). For the first time since joining the market, Lampiris has suffered a loss (-0.8%) and moves from 4th to 7th place in the rankings, under the threshold of 5% (4.4%). Gas Natural Fenosa has made progress once more (+0.8%), reaching 3.2% of the market share. SEGE (European Energy Management Company) increased its market share (+0.3%) to 1.7%. Furthermore, Eneco België obtained, despite a drop of 0.3%, a market share of 1.5% and, in doing so, becomes the final company to have a market share greater than 1%.

After Eni, the second biggest loser (-1.8%) is E.ON Global Commodities which saw its share of the market fall by almost a fifth from the previous year (0.5%).

80 Opinion (A)140130-CDC-1305 relating to an individual natural gas supply permit granted to Lampiris SA; Ministerial decree of 10 March 2014 (Official Journal of 20 March 2014).

81 Opinion (A)140206-CDC-1309 relating to an individual natural gas supply permit granted to Eni gas & power; Ministerial decree of 28 February 2014 (Official Journal of 18 March 2014).

82 Opinion (A)140528-CDC-1324 relating to an individual natural gas supply permit granted to SA Electrabel Customer Solutions; Ministerial decree of 25 August 2014 (Official Journal of 15 September 2014).

83 Opinion (A)140619-CDC-1339 relating to an individual natural gas supply permit granted to SA Electrabel; Ministerial decree of 5 September 2014 (Official Journal of 19 September 2014).

84 Opinion (A)140710-CDC-1346 relating to an individual natural gas supply permit granted to Eni S.p.A.; Ministerial decree of 18 July 2014 (Official Journal of 1 August 2014).

85 Opinion (A)140724-CDC-1356 relating to an individual natural gas supply permit granted to E.On Global Commodities SE; Ministerial decree of 25 August 2014 (Official Journal of 15 September 2014).

86 Opinion (A)140918-CDC-1365 relating to an individual natural gas supply permit granted to Statoil ASA; Ministerial decree of 9 October 2014.

87 Opinion (A)141009-CDC-1376 relating to an individual natural gas supply permit granted to SA Vattenfall Energy Trading Netherlands; Ministerial decree of 9 December 2014 (Official Journal of 22 December 2014).

88 Opinion (A)141120-CDC-1387 relating to an individual natural gas supply permit granted to GasTerra BV; Ministerial decree of 30 December 2014 (Official Journal of 14 January 2015).

89 Opinion (A)141204-CDC-1389 relating to an individual natural gas supply permit granted to Wintershall Holding GmbH; Ministerial decree of 30 December 2014 (Official Journal of 14 January 2015).

90 This evaluation is based on figures related to shipping activities as disclosed by the transmission system operator, such as they are communicated by the transmission system operator.

Vattenfall Energy Trading Netherlands completely ceased its activities on the Belgian transmission network during 2013 and has disappeared from the market (-1.1% to 0.00%).

The other users of the active networks are Antargaz, Belgian Eco Energy, Direct Energie Belgium, E.ON Global Commodities, Enovos Luxembourg, Enel trade, European Energy Pooling, GETEC Energie, natGas, Progress Energy Services, Total Gas & Power and Vattenfall Energy Trading Netherlands. All of these companies each have a market share of less than 1%. Together, they hold 3% of the market share.

On 31 December 2014, thirty-five network users held a supply permit. Twenty-two of them conducted operations during 2014 on the transmission system for shipping natural gas to Belgian end customers. By way of comparison, at the end of 2007, just six network users were operating on the Fluxys Belgium transmission network for supplies to Belgian end customers.

#### 4.1.1.2. Price Caps

Readers are referred to paragraph 3.1.2.2 of this report which applies *mutatis mutandis* to natural gas.

#### 4.1.1.3. Trend in and Fundamentals of the Natural Gas Price

Readers are referred to paragraph 3.1.2.3 of this report, which also applies to natural gas.

Table 16: Companies active in 2014 on the Belgian market for shipping natural gas - Changes compared with 2013 (Source: CREG)

Volume routed in Belgium (iTWh)* Market share in Belgium (%)	2013		2014		Δ2014/2013	
	TWh	%	TWh	%	(%) **	(%-point) ***
Antargaz SA	0.01	0.006	0.09	0.06	779.6	0.05
Belgian Eco Energy NV	0.01	0.008	0.04	0.03	192.3	0.02
Direct Energie			0.00	0.00		0.00
E.ON Global Commodities SE	0.95	0.5	0.77	0.48	-18.5	-0.04
EDF Luminus	20.14	11.0	15.47	9.6	-23.2	-1.34
Eneco België BV	3.26	1.8	2.37	1.5	-27.4	-0.30
Enel Trade S.p.A			0.28	0.18		0.18
Eni S.p.A.	57.50	31.4	46.33	28.9	-19.4	-2.50
Enovos Luxembourg SA	0.90	0.5	0.62	0.39	-31.3	-0.11
European Energy Pooling	0.03	0.0	0.20	0.12	532.0	0.11
Gas Natural Europe	4.36	2.4	5.16	3.2	18.3	0.84
GDF Suez	59.97	32.7	49.46	30.8	-17.5	-1.89
GETEC Energie AG	0.25	0.1	0.27	0.17	4.7	0.03
Lampiris SA	9.64	5.3	7.13	4.4	-26.1	-0.82
natGAS Aktiengesellschaft	0.82	0.4	0.99	0.62	20.3	0.17
Progress Energy Services	0.11	0.1	0.09	0.06	-20.4	-0.01
RWE Supply & Trading GmbH	7.72	4.2	7.16	4.5	-7.2	0.25
Soc. Europ. de Gestion de l'Energie SA	2.56	1.4	2.68	1.7	4.8	0.28
Statoil ASA	5.98	3.3	10.66	6.6	78.3	3.38
Total Gas & Power Ltd	1.03	0.6	1.42	0.88	37.9	0.32
Vattenfall Energy Trading Netherlands NV	0.00	0.0	0.00	0.00	-83.4	-0.00
Wingas GmbH	7.98	4.4	9.21	5.7	15.4	1.39
Final total	183.2	100.0	160.4	100.0	-12.5	

\* These figures only concern supplies to customers connected to the transmission system and to offtake points on the distribution networks. For separate statistics on supplies to customers connected to the transmission and distribution networks, please consult the joint publication of the four energy regulators on the CREG website ([www.creg.be](http://www.creg.be)).

\*\* Relative change in 2014 compared with 2013 (2013 is the baseline)

\*\*\* Absolute change in market share.

## 4.1.2. Regulation of Transmission and Distribution

### 4.1.2.1. Unbundling and Certification of TSOs

#### ■ Fluxys Belgium

Fluxys Belgium's shareholding has not been subject to any modifications in 2014. The same applies to the Fluxys LNG SA and Flux Re SA branches and to the level of participation in Prisma GmbH. The Fluxys & Co branch was liquidated in 2013 following the sale of the LNG ship «BW GDF Suez Boston» to GDF Suez.

Following the removal of the purchase option on 15 December 2011, Fluxys Belgium took 100% ownership of the Troll gas duct effective as of 15 December 2015. As it is an RTR pipeline, the purchase option will be removed by Fluxys Belgium during the year 2015.

In September 2014, at the Fluxys Belgium Board of Directors and advisory boards, Mr Eric Lachance was co-opted as the administrator of the Caisse de Dépôt et Placement du Québec. Furthermore, he is a member of the strategic committee and of the audit committee. Additionally, Mr Renaud Moens has been co-opted as administrator of Publigas. He is also a member of the audit committee Effective as of 1 October 2014, Mr Aart Geens tendered his resignation as government commissioner. He had not yet been replaced as of 31 December 2014.

On 1 February 2014, Mr Paul Tummers became a member of the Fluxys Belgium management board, within which he occupies the post of CFO. Mr Pascal De Buck has been president of the management board since 1 January 2015 and occupies the role of managing director, replacing Mr Walter Peeraer.

In application of article 15/14, paragraph 1, 26° of the gas act, the CREG permanently monitors the unbundling. At the beginning of 2015, it sent a letter to this effect to Fluxys Belgium in order to obtain more information on the changes made since its initial certification as transmission system operator on 27 September 2012. The CREG therefore aims to put in place systematic annual and general «unbundling monitoring» that will be developed in cooperation with the system operator and depending on the acquired experience.

#### ■ Interconnector (UK) Limited

On 11 July 2013, the CREG approved the request for certification from Interconnector (UK) Ltd (hereafter: IUK). As part of its final decision, the CREG imposed a series of conditions on IUK which must be fulfilled by 3 March 2015 at the latest. In 2014, the CREG continued to monitor the implementation of these conditions in cooperation with the British regulator Ofgem, by means of a quarterly report sent to the two regulators from IUK.

On 19 December 2014, CDP Investissements Inc. sold its shares in IUK to CDP Groupe Infrastructure INC., another branch of the Caisse de Dépôt et Placement du Québec.

Mr Roger Cornish was replaced by Mr Paul Trimmer to the post of non-executive president of IUK effective as of 1 April 2014. Mr Olivier Renault resigned from his role as manager of the Caisse de Dépôt et Placement du Québec on 24 January 2014 and was replaced by Mr Eric Lachance effective as of 29 January 2014. On 16 December 2014, Mr Pascal De Buck (manager of SA Fluxys Europe) tendered his resignation and was replaced by Mr Erik Vennekens.

### 4.1.2.2. Corporate Governance

Within the control framework of the application of article 8/3 of the gas act and the assessment of its efficiency with regards to the independence and impartiality objectives of the operators, the CREG acknowledged receipt, in March 2014, of the activities report of the Fluxys Belgium and Fluxys LNG's company governance committee for the year 2013.

In June 2014, the CREG gave its assent concerning the extension of the mandate of a Fluxys Belgium independent operator.

Moreover, in March 2014, the CREG examined the report from the Compliance Officer on observance of the programme of commitments by employees of Fluxys Belgium and Fluxys LNG for the year 2013. This programme of commitments should ensure that there is no discriminatory treatment of system users and/or categories of system users.

### 4.1.2.3. Technical Operation

#### A. Natural Gas Transmission Permits

To build and operate its natural gas facilities, the TSO, Fluxys Belgium, has to submit an application for a transmission permit to the Energy Department of the Federal Public Service for the Economy, SMEs, Self-Employed Workers and Energy.

The CREG has the power to issue opinions on such applications. The CREG consults with the regional regulator concerned with application dossiers that impact on the distribution networks.

In 2014, the CREG passed fourteen favourable opinions<sup>91</sup> for transmission permit applications or endorsement requests for existing permits. In 2014, the CREG received construction commencement notifications from Fluxys Belgium regarding three submitted opinions.

#### B. The Balancing Model

Following a decision made on 16 October 2014<sup>92</sup>, the CREG accepted an approval request, made by Fluxys Belgium in April 2014, for the existing within-day gas balancing obligations.

The CREG thought that by making the schedule information available to the network users it would give them the opportunity to correct their position by means of nominations on an hourly basis so that the balancing system could work better when guided by the market. Furthermore, the CREG thought that these obligations minimally limited the role of the transmission system operator in terms of balancing and made network users more responsible. Finally, the existing within-day obligations met the criteria stipulated in the Balancing network code.

Developments relating to the new market-based balancing model in effect as of 1 October 2012 summarised in the 2013 annual report (pages 55-56) are still applicable in 2014.

#### C. Regulations Governing System Security and Reliability, and Standards and Requirements for Quality of Service and Supply

To comply with Article 133 of the Code of Conduct, the natural gas transmission system operator implements a monitoring system that tracks the quality and reliability of its transmission system operations and the natural gas transmission services provided.

In particular, this monitoring system makes it possible to determine quality criteria in terms of:

- frequency of service interruptions and/or reductions;
- average duration of service interruptions and/or reductions;
- causes and remedies for these service interruptions and/or reductions;
- portfolio of natural gas transmission services offered

There were no service interruptions or reductions in 2014. The introduction of the new entry/exit model launched on 1 October 2012 made it possible to compile a new portfolio of services which has been carried over into the natural gas transmission programme after consultation with the market stakeholders concerned. The proposed portfolio of services was assessed during 2013 in conjunction with market stakeholders. New Interruptible Peak Load (IPL) natural gas transmission services principally aimed at power stations have been offered on the market in 2014 by the natural gas transmission system operator. Following a consultation organised by the aforementioned transmission system operator, it appears that there is no interest for these services on the market.

#### D. Time Taken by the Transmission System Operator to Carry Out Connections and Repairs

In accordance with the 1965 Gas Act, the CREG is responsible for monitoring the time taken by the natural gas transmission system operator to carry out connections and repairs.

91 Opinion (A) 140116-CDC-1303 relating to the request made by SA Fluxys Belgium on granting a transmission permit endorsement A322-548 to replace a DN300 section of motorway by a DN400 in a leisure zone near to the Chaussée de France at Neufchâteau; Opinion (A)140123-CDC-1304 relating to the request made by SA Fluxys Belgium on granting a transmission permit DN900 HD at Ravels and Oud-Turnhout. Gas transmission facilities in question: Ravels (Poppel) – Ravels (Weelde) III – A322-886 of the 4/03/1976 / Ravels (Weelde) – Herent (Winksele) I – A322-54 of the 18/10/1967 / Ravels (Weelde) – Herent (Winksele) II – A322-627 of the 21/09/1973; Opinion (A)140213-CDC-1312 relating to the request by SA Fluxys Belgium to grant an A323-3931 transmission permit for the construction of a system of underground sluice gates in Zwijndrecht; Opinion (A)140227-CDC-1315 relating to the request by SA Fluxys Belgium to grant transmission permit application A323-3905 for the construction of a natural gas pipeline in Alveringem-Maldegem with a connection to Langemark-Poelkapelle. Gas transmission facilities in question: DN900 HD Alveringem - Houthulst DN900 HD Houthulst - Lichtervelde DN900 HD Lichtervelde - Maldegem DN250 HD Houthulst - Langemark-Poelkapelle Alveringem Station Maldegem Station; Opinion (A)140403-CDC-1322 relating to the request by SA Fluxys Belgium to grant a transmission permit endorsement A322-44 of 19 September 1967 for the replacement and removal of the natural gas transmission pipeline under the Robert Orlentvijver at Nazareth; Opinion (A)140508-CDC-1329 relating to the request by Fluxys Belgium SA to grant a transmission permit A322-3900 for the reconstruction of natural gas transmission pipelines in the Gent region (Southern part). Gas transmission facilities in question: DN300 LD Gent (Sint-Amandsberg) – Destelbergen (Scheldekant) DN300 LD Gent (Zwijnaarde – Gentbrugge) DN200 LD Gent – Transpac; Opinion (A)140626-CDC-1342 relating to the request by SA Fluxys LNG to grant a transmission permit endorsement A322-1355 of the 8th August 1977 for the construction of a fifth reservoir with treatment facilities and second truck loading station at Zeebrugge; Opinion (A)140626-CDC-1343 relating to the request made by SA Fluxys Belgium on granting a transmission permit A323-3930 for the installation of new underground natural gas transmission pipelines and their accessories on the Virton territory; Opinion (A)140626-CDC-1344 relating to the request made by SA Fluxys Belgium on granting a transmission permit A322-3937 for the construction of a new natural gas pressure reduction station in Groenstraat at Herne; Opinion (A)141002-CDC-1373 relating to the request by SA Fluxys LNG on granting a transmission permit endorsement A322-548 for the construction of a new pressure reduction area in the station at Libramont-Chevigny (Bras); Opinion (A)141002-CDC-1374 relating to the request made by SA Fluxys Belgium on granting a transmission permit A323-3871 for the regularisation of the pipeline DN150 BP Saint-Ghislain (Baudour); Opinion (A)141016-CDC-1377 relating to the request made by SA Fluxys Belgium on granting a transmission permit A322-3957 for the DN150 HD connection of the SA Vopak Chemical Terminals Belgium at Anvers; Opinion (A)141016-CDC-1378 relating to the request made by SA Fluxys Belgium on granting a transmission authorisation A322-3960 for the DN150 HD connection of the SA Praxair at Anvers; Opinion (A)141120-CDC-1386 relating to the request made by SA Fluxys Belgium on granting a transmission permit A322-3941 for the installation or adaptation of natural gas transmission pipelines DN250 and DN600 HD between Tessenderlo and Diest and of stations to be built at Tessenderlo and Diest.

92 Decision (B)141016-CDC-1375 relating to the request made by SA Fluxys Belgium for the approval of existing within-day obligations in view of pursuing their use and designation as the party responsible for the provisions in terms of the balancing of gas in the natural gas transmission system.

In 2014, a new connection was made for an end customer. The completion of this new connection took thirteen months.

As regards unplanned repairs (post-incident) in 2013, Fluxys Belgium carried out all repairs within one day, with the exception of Lanaken (seven days), without any impact on the shippers or the end users. All repairs took place after consultation with the end user and/or the shipper so that they may be aware of any disruptions to gas supply.

Repairs under scheduled maintenance periods were carried out to avoid any impact on service delivery. All scheduled operations were for a limited time (usually one day) and were conducted in conjunction with the end user and/or shippers concerned.

#### E. Code of Conduct

##### • Natural Gas Transmission

On 10 May 2012, the CREG approved the standard natural gas transmission contract, the access rules and the natural gas transmission programme put forward by Fluxys Belgium and thereby gave the go-ahead for the implementation of a new transmission model as of 1 October 2012. This new transmission model, known as Entry/Exit, greatly simplifies access to the Fluxys Belgium transmission network and creates the conditions to improve the liquidity of the natural gas market. Amongst other things, it provides for easy access to the natural gas transmission network for all market players, the creation of a trading space where, in addition to bilateral trading (OTC), an anonymous exchange offers services to market players and a market-orientated balancing system through which Fluxys Belgium buys or sells natural gas on the anonymous exchange to maintain the balance of the network.

The services offered are largely in line with the basic principles set out by the CREG for the new transmission model. Indeed:

- an extensive portfolio of transmission services is made available to market players;
- transmission services at entry points can be reserved independently of transmission services at offtake points;
- no distinction is made between transit and internal transmission;
- the possibility of reserving transmission services for a minimum of one day is provided;
- the maximum period for the reservation of transmission services at entry and offtake points on the transmission network is not limited;
- the supply and nature (closed, interruptible) of the transmission services in the new transmission model have not been reduced further to the transition;
- the transmission services can be easily reserved by means of an electronic reservation system available 24/7;
- a virtual trading space has been created for natural gas;
- all the market players (including end customers) can trade in natural gas in this trading space in a very simple manner and then carry the gas to the destination of their choice;
- access to the transmission market and the natural gas trading market has been greatly simplified and improved in structural terms.

Each network user wishing to reserve transmission services or have access to the Fluxys Belgium information and reservation systems signs the standard contract for natural gas transmission services beforehand. This standard contract provides the means to access the natural gas transmission system and the transmission systems operated by Fluxys Belgium. The network user is registered as a client of Fluxys Belgium and can reserve transmission services as of the subscription date. Depending on their needs, network users

can reserve transmission services via written procedure or via the automatic reservation system available 24/7. In addition to shippers, traders and suppliers, end customers who so wish can also access the natural gas transmission network and the natural gas exchange in this way.

The offtake capacity of end customers connected to the distribution network no longer has to be reserved, but is allocated on a monthly basis by Fluxys Belgium. This greatly simplifies access to the household market and small and medium-sized enterprises. In fact, there is no longer any need for suppliers to reserve offtake capacity for end customers on the distribution network in advance, whereas in the past this was a complicated technical process, especially for newcomers to the market. Moreover, the offtake capacity is calculated and allocated in the same way for each shipper/supplier, which creates a level playing field and avoids any discrimination.

In 2014, the CREG issued three decisions relating to amendments proposed by Fluxys Belgium to the standard contract for natural gas transmission, the access rules for natural gas transmission and the natural gas transmission programme:

***- Decision of 23 January 2014 relating to the amendments proposed by Fluxys Belgium to annexes A and B and of appendix 1 of Annex B of the Access Rules for Natural Gas Transmission***

By letters dated 10 December and 23 December 2013, Fluxys Belgium submitted an amendment approval application to the CREG for annexes A and B and appendix 1 of annex B of the access rules for natural gas transmission.

In addition to adaptations to improve the legibility and the style of the Access Rules for Natural Gas Transmission, an

adaptation was made by Fluxys Belgium to the determination of gas prices (annex A). Therefore, effective as of 14 September 2013, the ZIG Day-Ahead, as published by the S & P Dow Jones indexes, has been replaced, as a reference, by the Zeebrugge Day-Ahead Flow Date Price, as published by Platt's.

Adaptations of annex B, on the other hand, concerned the adaptations of rules relating to the exit capacity allocation on the ARS (aggregated reception station) for S32 end customers, now based on the average energy offtake during the months of January and February.

Finally, the adaptation of Annex B's Appendix 1 with the implementation in stages between now and 1 November 2015 of this CAM<sup>93</sup> network code which stipulates that transmission capacity at interconnection points between entry-exit zones within the European Union are to be allocated by auctions on the basis of standardised periods of time (year, quarter, month, day and within-day) and include a common auction calendar. The CAM network code also stipulates the creation of web-based platforms for capacity auctions, jointly run by system operators. The CAM network code not only foresees making capacity offers using these shared reservation platforms on the primary market, but also features allowing shippers to negotiate secondary capacity.

On the strength of their experience with such platforms, a large number of transmission system operators, including Fluxys Belgium, developed the joint interconnection point transmission capacity booking (auction) platform which is managed by PRISMA. This auction platform has been

operational since 1 April 2013 and offers bundled transmission capacity spread over time at interconnection points between the participating transmission system operators' entry and exit zones, in accordance with the CAM network code. As the CAM NC had not yet been introduced by the regulatory route, this initiative was a pilot project. In order to allow transmission capacity offers to be made via PRISMA, the standard Natural Gas Transmission contract, the Access Rules for Natural Gas Transmission and the Natural Gas Transmission Programme have already been amended in various places. The CREG was proud of the involvement of its transmission system operators in the PRISMA initiative, consisting of offering secondary market features on the PRISMA secondary capacity platform starting from 1 January 2014. With regards to the Belgian interconnection points, PRISMA will replace the current capsquare starting from 1 April 2014.

All these amendments have been subject to large-scale market consultation by Fluxys Belgium.

The CREG decided<sup>94</sup> to approve all of the proposed amendments - for application on 31 January 2014 - because they optimise the transmission model and meet the requirements of the system users.

***- Decision of 15 May 2014 relating to the amendments proposed by Fluxys Belgium to the natural gas transmission programme and annexes A, B, C1, C3 and G of the access rules for natural gas transmission***

By letter of 11 April 2014, Fluxys Belgium submitted to the CREG a permit application for amendments to the natural gas transmission programme and annexes A, B, C1, C3 and G of the access rules for natural gas transmission.

The objective of the proposed amendments is:

- to add a «reshuffling» service allowing system users to adapt their contracts and prepare their portfolios as part of the future application of the European network code on capacity allocation mechanisms for gas transmission systems;
- to modify the balancing rules in order to permit the purchase and sale of H-Gas where there is no compensation on the L-Gas market;
- with regards to the secondary market, to implement the transition from the capsquare platform to the European PRISMA capacity platform;
- to change the (re) nomination procedures in order to make them compatible with the new rules featured in the network code on the balancing of the gas transmission networks.

All these amendments have been subject to large-scale market consultation by Fluxys Belgium.

The CREG decided<sup>95</sup> to approve all of the proposed amendments - for application on 15 May 2014 - because they optimise the transmission model and meet the requirements of the network users.

93 (EU) regulation n° 984/2013 of the Commission of 14 October 2013 relating to the creation of a network code and the capacity allocation mechanisms for the gas transmission systems to complement the rule (EC) no. 715/2009 of the European Parliament and of the Council.

94 Decision (B)140123-CDC-1300 relating to the amendments proposed by SA Fluxys Belgium to annexes A and B and appendix 1 of Annex B of the Access Rules for Natural Gas Transmission.

95 Decision (B)140515-CDC-1326 relating to the amendments proposed by SA Fluxys Belgium to the natural gas transmission programme and annexes A, B, C1, C3 and G of the access rules for natural gas transmission.

*- Decision of 18 September 2014 relating to the amendments proposed by Fluxys Belgium to the natural gas transmission programme and annexes A, B and C3 of appendix 1 of annex B of the access rules for natural gas transmission*

By letters dated 21 August and 1 September 2014, Fluxys Belgium submitted an amendment approval application to the CREG for the natural gas transmission programme and annexes A, B and C and appendix 1 of annex B of the access rules for natural gas transmission.

The objective of the proposed amendments is:

- 1) the introduction of two new quality conversion services, «Base Loads» and «Seasonal Load», available throughout the year, starting from 1 January 2015;
- 2) the introduction of a new H → L «Peak Load» quality conversion service, available between 1 November and 31 March of the following year, starting from 1 November 2014;
- 3) the adaptation of the terms of use of the PRISMA platform included in appendix 1 of annex B of the access rules for natural gas transmission, starting from 1 October 2014. They mainly target the introduction of the possibility to submit offers in a currency other than the default currency (if the transmission system operator supports it) and the introduction of a ban on transactions using financial instruments stipulated in the «MiFID» directive concerning financial instruments markets.

The modifications carried out take into account the reactions from the system users following the market consultations organised from 2 to 24 June 2014 regarding the question discussed in point 3) and from 24 July to 6 August 2014 inclusive regarding the questions from points 1) and 2).

By decision<sup>96</sup> reached on 18 September 2014, the CREG approved the proposed amendments. Furthermore, the CREG requested, amongst other things, that Fluxys Belgium provide a certain amount of information, to PRISMA and to itself respectively.

#### • Storage

On 11 April 2014, Fluxys Belgium submitted an approval application to the CREG for the amended annexes B, C1, C2, D1, H1 and H2 of the access rules for storage as well as the storage programme and the glossary of definitions.

This amendment proposal concerned the following adaptations:

- amendments aiming to simplify the service durations for storage and the manner in which these services are proposed and allocated;
- the expansion of the services offered by the addition of the «Excess Gas Storage» service;
- for the secondary market, the services are transferred from the Capsquare platform to an electronic bulletin board;
- a certain number of amendments aiming to ensure compliance of the nomination and renomination procedure with the latest CBP EASEE-Gas standard and, at the same time, to adapt the nomination cycle to the BAL network code that will come into effect starting from 1 October 2015. The amendments proposed involve a harmonisation of the storage nomination procedure with the transmission nomination procedure;
- Amendments made to the storage program do not include any new elements and their sole objective is to ensure compliance with the rules of access for storage;
- some additions and corrections have also been made to annex 3 of the standard storage contract, namely in the glossary of definitions, in order to update the list in accordance with the proposed access rules amendments.

The modifications proposed were subject to consultation with the market players.

By decision<sup>97</sup> of 28 May 2014, the CREG approved the amendments proposed by Fluxys Belgium and decided that they would come into effect on the date on which Fluxys Belgium would publish, on its website, the main approved storage conditions in a version including these amendments. They will be applicable to storage facility users from this date.

Regarding the modifications to the «Excess Gas Storage» (excess GS), the CREG has requested that Fluxys Belgium monitor the use of this service and, in particular, ensure that its use does not negatively influence the actual availability of the storage services for other storage users within the framework of the contractual rights which have been granted to them.

Regarding the proposal not to keep the current electronic data platform for the storage service trading and instead, to organise the secondary market by means of a bulletin board, the CREG has decided to temporarily accept the proposition, but requests that Fluxys Belgium monitor it and inform them of any future development of an alternative electronic platform for the secondary market. PRISMA could, for example, be a potential candidate. PRISMA is a platform created by the European transmission system operators for the commercialisation of trans-border transmission capacities.

On the whole, market conditions for storage services were initially very unfavourable in 2014, as a result of the summer/winter low spread, which made their commercialisation very difficult. Over the course of 2014, market demand picked up again, notably as a result of the increase in summer/winter spread. In the mid-term, the spread should stay lower, making the market conditions still difficult for storage

<sup>96</sup> Decision (A)140918-CDC-1362 relating to the amendments proposed by SA Fluxys Belgium to the natural gas transmission programme and annexes A, B and C3 of appendix 1 of annex B of the access rules for natural gas transmission.

<sup>97</sup> Decision (B)140528-CDC-1335 relating to the approval application for amended annexes B, C1, C2, D1, H1 and H2 of the rules for storage access and the glossary of definitions, amended in accordance, by SA Fluxys Belgium.

commercialisation. The CREG insists that Fluxys Belgium actively look for better ways to commercialise storage capacity in Loenhout, amongst others, as part of the development of additional flexibility services supported by the ZTP virtual trading platform.

#### • LNG

Both the standard LNG contract and the access rules for LNG and the LNG programme have to be submitted to the CREG for approval by the LNG terminal operator (Fluxys LNG).

On 2 September 2014, Fluxys LNG submitted an approval application to the CREG for the main access conditions to the LNG transshipment services at the LNG terminal in Belgium. The request contained three documents: LNG's standard contract - LNG's transshipment services agreement (L TSA), the access rules for the LNG and LNG programme.

This request was made following a market consultation concerning the new transshipment services organised by Fluxys LNG between 7 July 2014 and 7 August 2014, which made reference to the three documents mentioned above.

These new transshipment services, which will be developed by Fluxys LNG if there is sufficient market demand, include, amongst others, the possibility of offloading large LNG cargo into a storage reservoir, then reloading this LNG into a liquefied gas tanker.

By decision<sup>98</sup> of 3 October 2014, the CREG approved the three documents in question, while asking Fluxys LNG to take into account the remarks accompanying its decision.

#### F. Measures to Safeguard Security of Supply

The European Commission's Gas Coordination Group coordinates the application of Regulation (EU) no. 994/2010 of 20 October 2010 to safeguard security of natural gas supply in Europe. The CREG represents Belgium in this Group, alongside the designated competent authority, namely the Directorate General for Energy. In 2014, attention was mainly focused on the assessment of natural gas supply risks from Russia, taking into account the geopolitical crisis in Ukraine<sup>99</sup>. The CREG assists the competent authority in the application of the aforementioned Regulation (EU) no. 994/2010 in Belgium and focuses, in this regard, on the optimisation of market instruments intended to safeguard security of supply. Residual risks require appropriate intervention on the part of the authorities, which is likely to be integrated within the operation of the market. The CREG was able to work in close conjunction with the Directorate-General for Energy so that the latter could assume its responsibility as the competent authority. The CREG in particular helped in producing the annual monitoring report on the security of supply, in the updating of the risk analysis<sup>100</sup>, the updating of a preventative action plan and the updating of an emergency plan<sup>101</sup>. The collaboration also involved drafting a legal text intended to enforce a supply standard for protected customers.

In 2014, the European Commission took the initiative to amend the aforementioned Regulation (EU) no. 994/2010 in view of the publication of a revised regulation in the final

quarter of 2015. In this context, and in close collaboration with the European Commission, the CEER set up a Task Force on 26 November 2014 in order to help the European Commission in this update and to publish their opinion with regards to security of supply on behalf of the European energy regulators. The CREG is vice president of this Task Force (see also 5.8.3 of this report).

As part of its remit to monitor and check the application of the Code of Conduct, the CREG monitored balancing on the transmission system for H-gas and L-gas in 2014, and found no critical problems in managing the system's balance. The current network balancing model puts a weighty responsibility on system users, and the transmission system operator now has only to provide residual balancing, if necessary. The market-based balancing mechanism is closely monitored and the CREG believes it to be a successful and important mechanism that also contributes to ensuring the continuity of natural gas supplies for all end users.

#### 4.1.2.4. Network and LNG Tariffs

##### A. Transmission System, Storage and LNG

###### a) Tariff Methodology

As announced in its annual report 2013 (page 62), the CREG adopted, on 18 December 2014, the decree<sup>102</sup> setting a tariff methodology for the natural gas transmission network, a natural gas storage facility and the LNG facility, as set out in article 15/5 onwards, paragraph 2 of the gas act, in view of an application for the regulatory period 2016-2019 with regards

98 Decision (B)141003-CDC-1370 relating to the application for approval of the main LNG transshipment services access conditions for SA Fluxys LNG.

99 See the European stress test <https://ec.europa.eu/energy/en/news/stress-tests-cooperation-key-coping-potential-gas-disruption>

100 [http://economie.fgov.be/nl/binaries/Risk\\_Assessment\\_tcm325-179867.pdf](http://economie.fgov.be/nl/binaries/Risk_Assessment_tcm325-179867.pdf)

101 Also see the ministerial decree of 18 December 2013 stipulating the federal emergency plan for the supply of natural gas published on 14 February 2014.

102 Decree (Z)141218-CDC-1110/7 outlining the tariff methodology for the natural gas transmission network, the natural gas storage facility and the LNG facility.

to the natural gas transmission network and the natural gas storage facility<sup>103</sup>.

This tariff methodology includes the rules that the Fluxys Belgium transmission system operator must adhere to for the preparation, the creation and the introduction of its tariff proposal for the regulatory period 2016-2019 and which the CREG will use to approve the resulting tariffs. The tariff decree also includes an annex, namely Report Models to be used by the operators.

The new tariff methodology includes a certain number of provisions which have already proven to be effective during the previous regulatory periods. Moreover, a certain number of adaptations have been made and new elements have been added, notably:

- 1) a certain number of initiatives promoting efficiency;
- 2) a tariff structure that anticipates the future European network code on the subject and which includes best practices in this sector.

In preparation for this decree, the CREG has undertaken several procedures.

In February 2014<sup>104</sup>, it signed one agreement with Fluxys Belgium and Fluxys LNG<sup>105</sup> on the adoption procedure for the tariff methodology for the natural gas transmission system operation, the management of natural gas storage facilities

and the management of LNG facilities and another relating to the introduction and approval procedure for tariff proposals and amendments.

From 1 to 30 September 2014, the CREG submitted for public consultation its ministerial decree project<sup>106</sup> setting out the tariff methodology for the natural gas transmission system, the natural gas storage facility and the LNG facility. A consultation report was drawn up.

The draft documents as well as any documents related to the file have been sent to the Chamber of Representatives, published on the CREG's website and mentioned in the Official Journal.

Finally, in accordance with the gas act (and electricity act), the CREG has, in August 2014, following consultation with the companies in question<sup>107</sup>, published the guidelines<sup>108</sup> identifying the information considered to be confidential due to its commercially sensitive nature or its personal nature (see point 3.1.3.4 of this report). In the case of commercially sensitive information, the CREG applies the general criteria set out by article 39.2 on the TRIPS<sup>109</sup> Agreement on Intellectual Property Rights relating to Trade, themselves taken up in a recent directive proposal put forward by the European Commission. In the case of personal information, the CREG refers to the definition given in article 1 of the law of 8 December 1992 relating to the protection of private life with regards to the processing of data of a personal nature.

## b) Tariff Trend

### ■ Transmission and storage tariffs

On 15 May 2014, the CREG approved<sup>110</sup> the revised tariff proposal from Fluxys Belgium relating to the transmission system connection and operation tariffs as well as the storage services and auxiliary services for the years 2012-2015.

The approved changes include:

- the removal of the transmission tariff for exit capacities to Loenhout;
- the removal of «Additional Start – Transfo» tariffs and «Additional Start – Enrichment» tariffs, following on from the proposal to simplify the gas quality conversion service;
- the addition of the tariff sheet for the capacity purchase limit level within the framework of the implementation of the congestion management rules;
- the tariff for the new «reshuffling» service, allowing system users to adjust their capacity portfolio (by moving the geographic location or time of the capacity).

103 Regarding LNG infrastructures, the CREG had already made a decision on the matter on 30 September 2004, based on the royal decree of 15 December 2003, in which it approves Fluxys LNG's multi-annual tariff proposal used for the capacities of the LNG terminal in Zeebrugge after 2006 and valid until the year 2026. On 29 November 2012, the CREG adopted decision (B) 121129 – CDC – 657G/06 relating to the tariff proposal updated by FLUXYS LNG, thereby prolonging the duration of the application of the tariffs until 1 April 2027. The new decree in no way infringes upon this decision and, on the contrary, it gives it a new legal basis.

104 The agreement was subject to an additional clause in June 2014, moving back the date of closure of the consultation report models from 30 June 2014 to 31 August 2014.

105 The CREG also made an agreement in March 2014 with Interconnector (UK) Limited on the adoption procedure for the tariff methodology for the management of the natural gas transmission network between Zeebrugge and Bacton.

106 Draft decree (Z)140618-CDC-1110/4 outlining the tariff methodology for the natural gas transmission system, the natural gas storage facility and the LNG facility.

107 The draft guidelines regarding tariffs (R) 140522-CDC-1336 concerning confidential information due to their commercially sensitive or personal nature was subject to public consultation at the end of May 2014.

108 Guidelines regarding tariffs (R) 140828-CDC-1336 concerning confidential information due to their commercially sensitive or personal nature.

109 See Agreement on Intellectual Property Rights concerning Trade.

110 Decision (B)140515-CDC-656G/23 on the revised tariff proposal from Fluxys Belgium SA relating to the connection and operation of Fluxys Belgium's transmission system tariffs as well as the storage services and auxiliary services for the years 2012-2015.

On 20 November 2014, the CREG approved<sup>111</sup> a new tariff proposal from Fluxys Belgium relating to the connection and operation of the transmission system tariffs as well as the storage services and auxiliary services for the years 2012-2015, applicable as of 1 January 2015.

The approved changes include:

- the anticipated use of the part of the regularisation account which was created between 2010 and 2013, resulting in a general tariff reduction for all tariffs;
- tariffs for new quality conversion services: Peak Load, Base Load and Seasonal Load.

For the remainder, Fluxys Belgium's natural gas transmission storage tariffs for the year 2014 are identical to those for 2013, excluding the rate of inflation. By decision made on 13 September 2012 (see annual report 2012, page 18), the CREG had indeed approved Fluxys Belgium's tariffs for the years 2012-2015.

#### ■ LNG Terminal Tariffs

On 2 October 2014, the CREG approved<sup>112</sup> tariff caps for the use of Zeebrugge's liquefied gas tanker, valid from 1 April 2019 to 31 March 2039. The updated tariff proposal introduced in this context by Fluxys LNG on 9 July 2014 aims to determine the new tariffs for the new transshipment services, namely:

- Transshipment Berthing Right; and
- Transshipment Storage.

Tariff calculations for transshipment services are mainly based on an investment cost hypothesis for the new terminal extension, the CREG having nevertheless asked Fluxys LNG to submit a new tariff proposal in the twelve months following the final decision made to invest in the construction of a fifth LNG reservoir in the Zeebrugge port.

For the remainder, Fluxys LNG's tariffs for the year 2014 for the operation of the LNG terminal at Zeebrugge are the same as those for 2013, excluding the rate of inflation. By decision made on 29 November 2012 (see annual report 2013, pages 18-19), the CREG had already approved an updated version of the tariffs, valid from 1 January 2013 to 31 March 2027, confirming the actual level of the tariffs approved by its decision of 30 September 2004.

#### c) Balances

##### ■ Fluxys Belgium SA

In its draft decision of 28 May 2013<sup>113</sup> based on the annual tariff report and the tariff settlement for financial year 2013 submitted by Fluxys Belgium SA to the CREG on 28 February 2014, the CREG decided that Fluxys Belgium SA needed to amend its tariff report to obtain approval regarding 2013's operating balances.

In view of the amended tariff settlement of 16 June 2014 that Fluxys Belgium submitted to the CREG to scrutinize tariffs for financial year 2013, the CREG decided<sup>114</sup> that the application of the tariffs in 2013 should result in the following items being booked:

- the posting of 82,118,609 euros to the Transmission business accruals and deferrals account, which brings balance sheet liabilities for future tariffs to 250.886.527 euros;
- the posting of 14,171,089 euros to the Storage business accruals and deferrals account, which brings balance sheet assets for future tariffs to be collected to 18,070,162 euros;
- for both businesses combined, an overall efficiency gain of 8.945.099 euros to add to the fair margin.

##### ■ Fluxys LNG SA

In its draft decision of 28 May 2014<sup>115</sup>, based on the annual tariff report and the tariff settlement for the financial year 2013 submitted by Fluxys LNG to the CREG on 20 February 2014, the CREG has decided that Fluxys LNG should amend its tariff report in order to obtain approval regarding 2013's operating balances.

In view of the amended tariff settlement of 16 June 2014 that Fluxys LNG submitted to the CREG to scrutinize tariffs for financial year 2013, the CREG decided<sup>116</sup> that the application of the tariffs in 2013 added: 15,690,523 euros to the accruals and deferrals account, for a total of 111,492,438 euros as of 31 December 2013.

## B. Distribution Networks

### a) Tariff Methodology

Readers are referred to paragraph 3.1.3.4.B.a) of this report.

111 Decision (B)141120-CDC-656G/26 on the revised tariff proposal from Fluxys Belgium SA relating to the connection and operation of Fluxys Belgium's transmission system tariffs as well as the storage services and auxiliary services for the years 2012-2015.

112 Decision (B)141002-CDC-657G/10 on SA Fluxys LNG's updated tariff proposal for the operation of the liquefied gas tanker terminal at Zeebrugge.

113 Draft decision (B)140528-CDC-656G/24 on the tariff report including the balance sheets sent by Fluxys Belgium concerning the operations for financial year 2013.

114 Decision (B)140626-CDC-656G/25 on the tariff report including the balance sheets sent by Fluxys Belgium concerning the operations for financial year 2013.

115 Draft decision (B)140528-CDC-657G/08 on the tariff report including the balance sheets sent by Fluxys LNG concerning the operations for financial year 2013.

116 Decision(B)140626-CDC-657G/09 on the tariff report including the balance sheets sent by Fluxys LNG concerning the operations for financial year 2013.

## b) Tariff trend

The three tables below provide an overview of tariff trends from 2008 to 2014.

In April 2012, the CREG extended application of the approved 2012 tariffs until 31 December 2014. As a result, there was no change in distribution systems' tariffs between 2013 and 2014.

Table 17: Tariffs for the use of the distribution network for the years 2008 to 2014, excluding VAT (Source: CREG)

euros/kWh	Household customer 23,260 kWh/year												
DSO	2008	Δ 2009/2008	2009 <sup>1</sup>	Δ 2010/2009	2010	Δ 2011/2010	2011	Δ 2012/2011	2012	Δ 2013/2012	2013	Δ 2014/2013	2014
GASELWEST	0.012008	11.46%	0.013384	1.39%	0.013570	4.77%	0.014217	2.36%	0.014553	0.00%	0.014553	0.00%	0.014553
IDEG	0.012890	8.98%	0.014048	5.06%	0.014758	3.25%	0.015237	2.71%	0.015651	0.00%	0.015651	0.00%	0.015651
IGH	0.013181	11.60%	0.014710	1.41%	0.014918	1.40%	0.015127	0.71%	0.015233	0.00%	0.015233	0.00%	0.015233
IMEA	0.009203	-2.00%	0.009019	1.93%	0.009193	1.13%	0.009297	1.87%	0.009471	0.00%	0.009471	0.00%	0.009471
IMEWO	0.011538	10.94%	0.012800	0.84%	0.012908	6.05%	0.013688	2.88%	0.014083	0.00%	0.014083	0.00%	0.014083
INFRAX WEST	0.012204	0.00%	0.012204	0.00%	0.012204	9.13%	0.013318	3.73%	0.013814	0.00%	0.013814	0.00%	0.013814
INTER-ENERGA	0.014607	0.00%	0.014607	0.00%	0.014607	-11.40%	0.012943	-0.88%	0.012829	0.00%	0.012829	0.00%	0.012829
INTERGEM	0.009782	20.04%	0.011743	1.83%	0.011958	5.46%	0.012611	3.60%	0.013064	0.00%	0.013064	0.00%	0.013064
INTERLUX	0.013616	-0.76%	0.013512	7.86%	0.014575	6.11%	0.015466	5.08%	0.016251	0.00%	0.016251	0.00%	0.016251
IVEG	0.009798	0.00%	0.009798	0.00%	0.009798	-4.26%	0.009381	4.50%	0.009803	0.00%	0.009803	0.00%	0.009803
IVEKA	0.009901	17.33%	0.011617	-5.94%	0.010927	3.40%	0.011299	2.74%	0.011608	0.00%	0.011608	0.00%	0.011608
IVERLEK	0.010070	9.85%	0.011062	1.18%	0.011192	4.96%	0.011747	3.15%	0.012117	0.00%	0.012117	0.00%	0.012117
RESA Gaz	0.010018	0.00%	0.010018	0.00%	0.010018	0.00%	0.010018	81.81%	0.018212	0.00%	0.018212	0.00%	0.018212
SEDILEC	0.012382	10.56%	0.013690	2.64%	0.014052	2.62%	0.014420	2.32%	0.014755	0.00%	0.014755	0.00%	0.014755
SIBELGA	0.011761	-3.20%	0.011384	7.53%	0.012241	3.77%	0.012703	1.78%	0.012930	0.00%	0.012930	0.00%	0.012930
SIBELGAS	0.011288	21.60%	0.013726	-3.07%	0.013304	1.46%	0.013498	0.80%	0.013606	0.00%	0.013606	0.00%	0.013606
SIMOGEL	0.008501	31.00%	0.011136	3.20%	0.011493	1.00%	0.011607	0.89%	0.011711	0.00%	0.011711	0.00%	0.011711
Average	0.011338	8.67%	0.012262	1.52%	0.012454	2.29%	0.012740	7.06%	0.013511	0.00%	0.013511	0.00%	0.013511

Green figures: approved tariffs – Red figures: imposed tariffs

<sup>1</sup> Gaselwest, Sibelgas, Iverlek, Iveka, Imea, Imewo, Intergem Tariffs: valid from 1 July 2009 (before: 2008 tariffs)

Ideg, IGH, Interlux, Sedilec, Sibelga, Simogel tariffs: valid from 1 October 2009 (before: 2008 tariffs)

Table 18: Tariffs for the use of the distribution network for the years 2008 to 2014, excluding VAT (Source: CREG)

euros/kWh	Business customer 2,300 kWh/year												
	2008	Δ 2009/2008	2009 <sup>1</sup>	Δ 2010/2009	2010	Δ 2011/2010	2011	Δ 2012/2011	2012	Δ 2013/2012	2013	Δ 2014/2013	2014
DSO													
GASELWEST	0.003206	2.83%	0.003297	1.32%	0.003340	4.82%	0.003501	2.35%	0.003584	0.00%	0.003584	0.00%	0.003584
IDEG	0.003606	-7.39%	0.003340	5.10%	0.003510	3.51%	0.003633	3.17%	0.003748	0.00%	0.003748	0.00%	0.003748
IGH	0.003685	-3.73%	0.003547	0.57%	0.003567	1.31%	0.003614	0.95%	0.003649	0.00%	0.003649	0.00%	0.003649
IMEA	0.001744	-11.46%	0.001544	1.34%	0.001565	1.25%	0.001585	1.74%	0.001612	0.00%	0.001612	0.00%	0.001612
IMEWO	0.002737	4.28%	0.002854	1.11%	0.002886	6.42%	0.003071	3.15%	0.003168	0.00%	0.003168	0.00%	0.003168
INFRAX WEST	0.002341	0.00%	0.002341	0.00%	0.002341	10.78%	0.002593	0.29%	0.002601	0.00%	0.002601	0.00%	0.002601
INTER-ENERGA	0.003025	0.00%	0.003025	0.00%	0.003025	-11.02%	0.002692	2.51%	0.002760	0.00%	0.002760	0.00%	0.002760
INTERGEM	0.002388	14.01%	0.002722	2.18%	0.002782	5.69%	0.002940	3.73%	0.003050	0.00%	0.003050	0.00%	0.003050
INTERLUX	0.005081	-13.61%	0.004389	5.72%	0.004641	4.95%	0.004870	4.03%	0.005066	0.00%	0.005066	0.00%	0.005066
IVEG	0.002091	0.00%	0.002091	0.00%	0.002091	-8.58%	0.001911	2.32%	0.001955	0.00%	0.001955	0.00%	0.001955
IVEKA	0.002325	13.38%	0.002636	-6.23%	0.002472	3.58%	0.002560	2.96%	0.002636	0.00%	0.002636	0.00%	0.002636
IVERLEK	0.002374	4.86%	0.002490	1.15%	0.002518	4.91%	0.002642	3.11%	0.002724	0.00%	0.002724	0.00%	0.002724
RESA Gaz	0.002278	0.00%	0.002278	0.00%	0.002278	0.00%	0.002278	113.01%	0.004852	0.00%	0.004852	0.00%	0.004852
SEDILEC	0.003465	-2.52%	0.003377	2.34%	0.003456	2.82%	0.003554	2.39%	0.003639	0.00%	0.003639	0.00%	0.003639
SIBELGA	0.002666	20.32%	0.003207	6.23%	0.003407	11.63%	0.003803	7.73%	0.004097	0.00%	0.004097	0.00%	0.004097
SIBELGAS	0.003192	15.08%	0.003673	-2.09%	0.003596	1.72%	0.003658	1.02%	0.003695	0.00%	0.003695	0.00%	0.003695
SIMOGELE	0.001593	13.61%	0.001810	2.26%	0.001851	0.47%	0.001859	0.40%	0.001867	0.00%	0.001867	0.00%	0.001867
Average	0.002812	2.92%	0.002860	1.24%	0.002901	2.60%	0.002986	9.11%	0.003218	0.00%	0.003218	0.00%	0.003218

Green figures: approved tariffs – Red figures: imposed tariffs

<sup>1</sup> Gaselwest, Sibelgas, Iverlek, Iveka, Imea, Imewo, Intergem Tariffs: valid from 1 July 2009 (before: 2008 tariffs)

Ideg, IGH, Interlux, Sedilec, Sibelga, Simogel tariffs: valid from 1 October 2009 (before: 2008 tariffs)

Table 19: Usage tariffs for the distribution network for years 2008 to 2014 excluding VAT (Source: CREG)

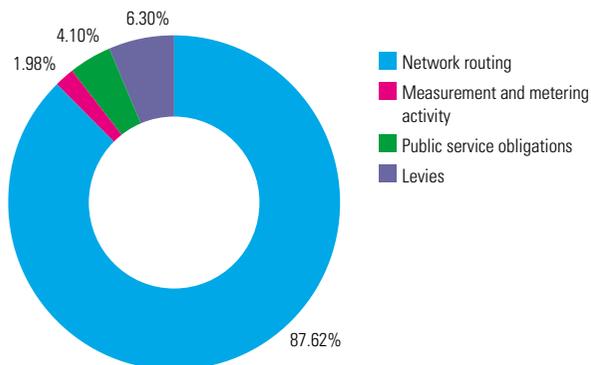
euros/kWh	Industrial customer 36.000 kWh/year												
	2008	$\Delta$ 2009/2008	2009 <sup>1</sup>	$\Delta$ 2010/2009	2010	$\Delta$ 2011/2010	2011	$\Delta$ 2012/2011	2012	$\Delta$ 2013/2012	2013	$\Delta$ 2014/2013	2014
GASELWEST	0.000504	12.06%	0.000565	0.19%	0.000566	4.69%	0.000592	2.27%	0.000606	0.00%	0.000606	0.00%	0.000606
IDEG	0.000785	-6.97%	0.000730	3.66%	0.000757	4.41%	0.000791	2.54%	0.000811	0.00%	0.000811	0.00%	0.000811
IGH	0.000592	-4.75%	0.000564	1.79%	0.000574	0.59%	0.000577	0.59%	0.000581	0.00%	0.000581	0.00%	0.000581
IMEA	0.000267	-5.81%	0.000251	1.17%	0.000254	1.23%	0.000258	1.63%	0.000262	0.00%	0.000262	0.00%	0.000262
IMEWO	0.000624	11.39%	0.000695	0.88%	0.000701	6.15%	0.000744	3.00%	0.000766	0.00%	0.000766	0.00%	0.000766
INFRA WEST	0.001151	0.00%	0.001151	0.00%	0.001151	-26.34%	0.000848	0.56%	0.000853	0.00%	0.000853	0.00%	0.000853
INTER-ENERGA	0.001665	0.00%	0.001665	0.00%	0.001665	-27.16%	0.001213	0.05%	0.001213	0.00%	0.001213	0.00%	0.001213
INTERGEM	0.000439	8.30%	0.000475	1.94%	0.000484	5.49%	0.000511	3.62%	0.000530	0.00%	0.000530	0.00%	0.000530
INTERLUX	0.001128	-11.06%	0.001004	4.66%	0.001050	4.13%	0.001094	4.88%	0.001147	0.00%	0.001147	0.00%	0.001147
IVEG	0.001285	0.00%	0.001285	0.00%	0.001285	-26.62%	0.000943	0.08%	0.000944	0.00%	0.000944	0.00%	0.000944
IVEKA	0.000534	23.00%	0.000656	-6.09%	0.000616	3.48%	0.000638	2.90%	0.000656	0.00%	0.000656	0.00%	0.000656
IVERLEK	0.000239	15.64%	0.000277	1.38%	0.000280	4.81%	0.000294	3.12%	0.000303	0.00%	0.000303	0.00%	0.000303
RESA Gaz	0.000446	0.00%	0.000446	0.00%	0.000446	0.00%	0.000446	58.38%	0.000707	0.00%	0.000707	0.00%	0.000707
SEDILEC	0.000742	-0.64%	0.000737	1.82%	0.000750	2.67%	0.000771	0.44%	0.000774	0.00%	0.000774	0.00%	0.000774
SIBELGA	0.000785	68.05%	0.001319	13.80%	0.001501	6.13%	0.001593	6.90%	0.001703	0.00%	0.001703	0.00%	0.001703
SIBELGAS	0.000220	15.75%	0.000255	-3.03%	0.000247	1.23%	0.000250	0.71%	0.000252	0.00%	0.000252	0.00%	0.000252
SIMOGEL	0.000945	-1.56%	0.000930	2.52%	0.000954	0.01%	0.000954	1.06%	0.000964	0.00%	0.000964	0.00%	0.000964
Average	0.000727	7.26%	0.000765	1.45%	0.000781	-2.06%	0.000736	5.46%	0.000769	0.00%	0.000769	0.00%	0.000769

Green figures: approved tariffs – Red figures: imposed tariffs

<sup>1</sup> Gaselwest, Sibelgas, Iverlek, Iveka, Imea, Imewo, Intergem Tariffs: valid from 1 July 2009 (before: 2008 tariffs)

Ideg, IGH, Interlux, Sedilec, Sibelga, Simogel tariffs: valid from 1 October 2009 (before: 2008 tariffs)

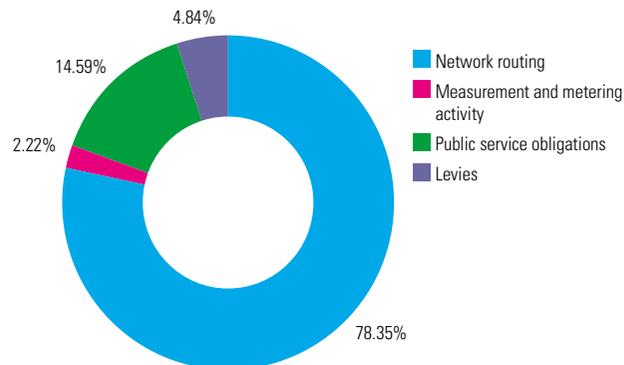
Figure 17: Average composition of the distribution system costs in Flanders in 2014 for a T2 customer = 23,260 kWh/year (Source: CREG)



Significant differences may be observed between the various distribution system operators. These may be explained, on the one hand, by topographical and technical factors specific to the areas supplied and, on the other hand, by the scope of the public service obligations in the tariffs. Other factors, such as the transfer of balances from the previous years (bonus/malus) also contribute towards these differences in tariffs.

The three figures above illustrate the average composition of the distribution network costs in Flanders, Wallonia and Brussels.

Figure 18: Average composition of the distribution system costs in Wallonia in 2014 for a T2 customer = 23,260 kWh/year (Source: CREG)



#### c) Balances

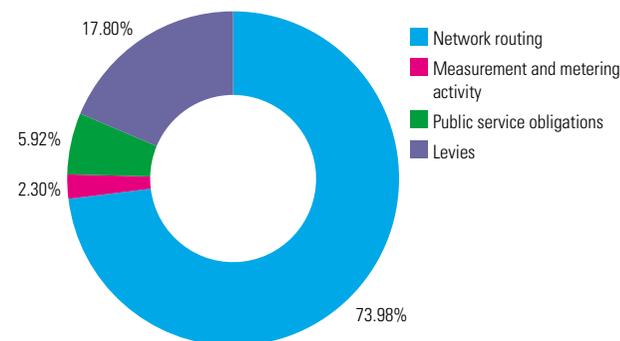
In early 2011, 2012, 2013 and 2014, the CREG received reports from all the distribution system operators relating to the application of their tariffs in 2010, 2011, 2012 and 2013. The CREG did not take a decision on the balances carried over for the reasons given in paragraph 3.1.3.4.B.c of this report, which apply mutatis mutandis to natural gas.

#### 4.1.3. Cross-Border Issues and Market Integration

##### 4.1.3.1. Access to Cross-Border Infrastructures

Under the new European TEN-E Regulation no. 347/2013<sup>117</sup> in force since 15 May 2013, the project promoters may, during a biannual selection, submit investment projects to the

Figure 19: Average composition of the distribution system costs in Brussels in 2014 for a T2 customer = 23,260 kWh/year (Source: CREG)



European Commission with a view to securing Project of Common Interest status (hereafter: PCI). Only projects spanning at least one national border within the European Union can be considered. PCI status enables a project to benefit from faster and more efficient permit-granting procedures and improved regulatory treatment. In addition, a cost-benefit analysis of PCI projects for the various countries within such projects' impact zones is also conducted, with a view to possible cross-border cost allocations in the event that projects cannot otherwise be completed. There can be no subsidies from the European Commission to help finance the necessary work other than as a last resort, i.e. if the market cannot finance the cost of the investment and if significant positive externalities are nonetheless linked to the project, such as market integration, competition, security of natural gas supplies and sustainability.

117 (EU) regulation no. 347/2013 of the European Parliament and Council of 17 April 2013 on the directions for the trans-European energy infrastructures, and repealing decision no. 1364/2006/CE and amending Regulations (EC) no. 713/2009, (EC) no. 714/2009 and (EC) no. 715/2009.

Belgium has three natural gas projects submitted on behalf of promoter Fluxys Belgium/Fluxys LNG in the first list of PCI projects adopted by the European Commission on 14 October 2013<sup>118</sup>. These projects have followed the following procedure in 2014:

- a) the new interconnection between France and Belgium via the border point at Alveringem; This project is currently in progress and is financed by Fluxys Belgium with no application for cross-border compensation of costs or subsidies (European) having been made. It is expected to enter into service in October 2015;
- b) reinforcement of the supply pipeline to the Grand Duchy of Luxembourg; The specific investment that Fluxys Belgium was aiming for is, however, no longer viable, taking into account the integration project of the Belgian and Luxembourgian markets (see point 4.1.3.4 of this report);
- c) further extension to the LNG terminal at Zeebrugge, including a second landing stage for LNG tanker vessels. The construction of the second landing stage in the Zeebrugge port is currently in progress. It should be operational in August 2015. This project is financed by Fluxys Belgium with no application for cross-border compensation of costs or subsidies (European) having been made. For the construction of a fifth LNG reservoir, however, Fluxys LNG has yet to make an investment decision and this project has once again been submitted as a candidate for the new list of European PCI projects in 2015.

The list of European PCI projects is updated every two years and checked by the respective European regional working groups. At the end of 2014, the list for new projects

submitted to obtain PCI status was opened. At the moment, two projects have been submitted by Belgium for the new PCI list: the construction of a fifth LNG reservoir in the Zeebrugge port by Fluxys LNG and the transmission system's conversion project from L-Gas into H-Gas by Fluxys Belgium. A new list of European PCI projects will next be published in October 2015. The CREG will monitor these activities within the working group for our region (NSI Gas West)<sup>119</sup>. Besides its involvement in the PCI selection and monitoring processes, the CREG is helping to successfully enforce the new TEN-E 347/2013 Regulation in close conjunction with the other regulators and ACER. This includes, amongst other things, the assessment of costs and benefits for Belgium possibly included in the PCI projects abroad and a possible cost compensation resulting from these foreign projects. Until now, Belgium has not been in receipt of any possible cross-border cost compensation for the completion of PCI.

#### 4.1.3.2. Analysis of the TSO's Investment Plan as Regards Consistency with the Network Development Plan in the whole European Community

Readers are referred to paragraph 4.4.2 of this report.

#### 4.1.3.3. CREG Cooperation on Cross-Border Issues with other Regulators and ACER

- BELUX Project

Readers are referred to paragraph 4.1.3.4 below.

- CREG Cooperation on Cross-Border Issues with ACER

Readers are referred to paragraph 5.8.2 of this report.

- CREG Cooperation on Cross-Border Issues with the Greek regulator

On 25 November 2014, the CREG and Fluxys signed a memorandum of understanding (MoU) with their Greek counterparts to promote cooperation between Belgium and Greece in the natural gas sector. This cooperation should allow the sharing of best practices and knowledge in terms of market regulation, including the development of gas hubs.

- CREG Cooperation with Ofgem regarding Interconnector

Readers are referred to paragraph 4.1.2.1. of this report.

<sup>118</sup> [http://ec.europa.eu/energy/infrastructure/pci/pci\\_en.htm](http://ec.europa.eu/energy/infrastructure/pci/pci_en.htm)

<sup>119</sup> North-South gas interconnections in Western Europe.

4.1.3.4. Market Integration

• CREG Market Integration Analysis

The market integration analysis<sup>120</sup> carried out by the CREG in 2014 revealed the following facts.

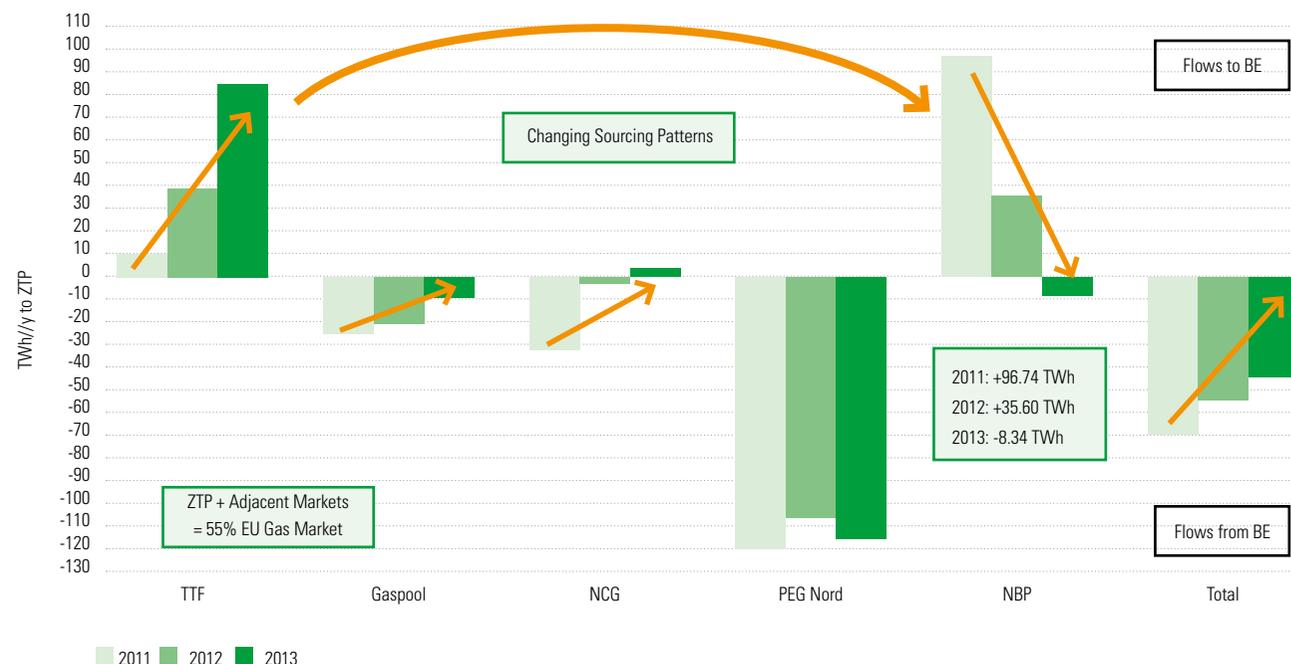
The Belgian natural gas market (183 TWh in 2013) represents, along with the natural gas markets of the neighbouring countries (2,747 TWh in 2013), over 55% of European natural gas consumption (EU-28: 4,989 TWh). Increasingly larger natural gas transactions to Belgium are carried out via the Netherlands: from 109 TWh in 2011 to 189 TWh in 2013. Belgium is a large natural gas market, from which France, primarily, draws its supplies. Net natural gas transactions to France were equal to 165 TWh in 2013, which is around 35% of France's natural gas requirements. Natural gas transactions with Germany saw a rapid transition, during the 2011-2013 period, from a net exit flow to Germany into a net entry flow to Belgium (net entry flow of 4 TWh in 2013). The Grand Duchy of Luxembourg takes around 45% of its supplies from the Belgian natural gas market. The net entry flow from the United Kingdom was still at 97 TWh in 2011, before brusquely changing into a net exit flow to the British market for a volume of 8 TWh.

The Belgian natural gas market has a transmission system offering sufficient transmission capacity for cross-border natural gas transactions in both directions. This contractual congestion-free situation on the transmission network promotes integration with neighbouring markets (TTF in the Netherlands, Gaspool and NCG in Germany, PEG Nord in France and NBP in Great Britain). On average, the wholesale price of natural gas (day-ahead) during the 2011-2013 period was equal to 24.85 euros/MWh. As a result, the Belgian wholesale price is on average 0.18 euros/MWh less expensive than that of the neighbouring markets. The price variations in Belgium follow

the rate of natural gas prices and neighbouring markets and, mainly, the wholesale prices in the Netherlands (correlation of +0.99). In addition to market integration, price convergence has been attained between the ZTP trading point and the neighbouring trading points. Not only do the prices correlate, but the price differences have also become minimal and no longer even reflect transaction costs. The result of this observation is the determination of a very mature natural gas trade market and an increased degree of competition and economic efficiency. In north-western Europe, it is a question of an integrated wholesale market (day-ahead) for natural gas with a convergent natural gas price.

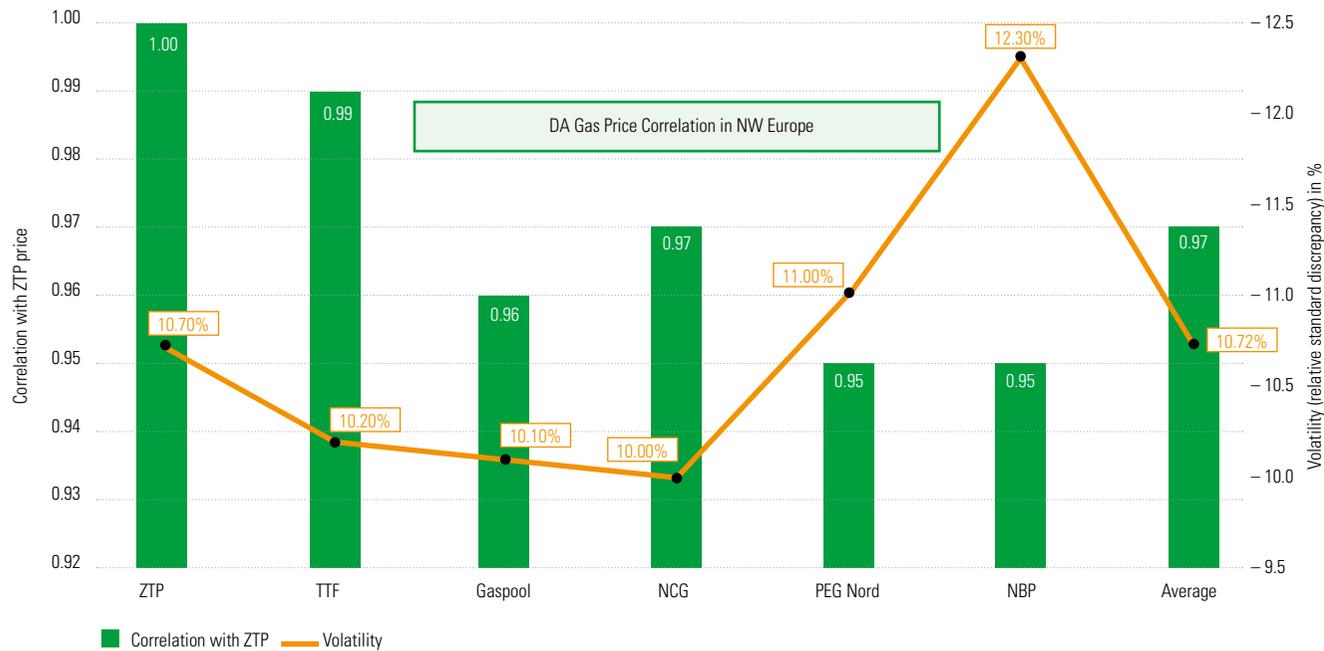
L-Gas is bought in the Netherlands both for the Belgian market and for transactions on the French L-Gas market. L-Gas transactions from the Dutch TTF trading point to the Belgian ZTP trading point totalled 98.38 TWh in 2011 and 103.68 TWh in 2012 before reaching 104.47 TWh in 2013. The share negotiated in the French PEG Nord trading area amounted to 48.68 TWh in 2011 and 51.86 TWh before slightly dropping to 50.7 TWh in 2013.

Figure 20: Net natural gas transactions (H-Gas) between the ZTP market and the border markets during the period 2011-2013 (in TWh/year) (Sources: CREG, gasdata.fluxys.com data)



120 Study (A)140925-CDC-1345 relating to the operation and trend of prices on the Belgian wholesale natural gas market – surveillance report 2013. Also see point 4.2.1.1 of this report.

Figure 21: Volatility in natural gas prices and price correlation between the ZTP market and the border markets during the 2011-2013 period (Sources: CREG, data provided by ICIS, ICE, EEX, Powernext)



#### • Case Study: integration of the Belgian and Luxembourgian markets

Conscious of the European Commission's ambition to evolve towards a single European natural gas market, Fluxys Belgian and Creos Luxembourg are working together to achieve the first natural gas market integration of two member states of the European Union. This initiative of the natural gas transmission system operators can count on the cooperation and support of their respective regulators, namely the CREG and the ILR.

Market integration aims to create a single entry/exit zone covering Belgium and the Grand Duchy of Luxembourg. In this unified trading area, the border points between Belgium and

the Grand Duchy of Luxembourg have disappeared in the commercial sense and the Zeebrugge Trading Point (ZTP) will be the transaction point for natural gas. A single balancing system for natural gas injections and offtake will apply and it will be managed by an individual company created by the two natural gas system operators.

This unified trading and balancing zone will reinforce the ZTP market and will contribute to the flexibility and efficiency of price signals. The market will still be able to participate easily in cross-border natural gas trade with the neighbouring natural gas markets of the Netherlands, United Kingdom, Germany and France. The active suppliers mainly located in the Grand Duchy of Luxembourg will be able to access supplies and participate in natural gas trade more easily compared

with the current situation in which they have no direct access to the ZTP at the Zeebrugge LNG terminal or the Loenhout underground storage. Active natural gas suppliers in both countries or industrial consumers and electricity producers with offtake points in both countries will have the option of managing their portfolio jointly, thereby increasing their efficiency. Security of supply and the way in which the Grand Duchy of Luxembourg's market operates will primarily be strengthened.

It is important to underline that this is a fusion of markets and not a fusion of natural gas transmission system operators, in the sense that each one remains responsible for the management of its own system. This means, for example, that each operator must monitor its entire network system and that security of supply remains within the jurisdiction of the member state. Creos Luxembourg and Fluxys Belgium will each maintain their own identity and organisational structure.

The fusion of the different countries' two markets requires close collaboration between the system operators and their regulators because a series of technical practices and regulations must be harmonised within the framework of the sovereignty of the countries. In 2014, the CREG worked in intense and close collaboration with the system operators in question and their Luxembourgian colleagues from the ILR and was also able to count on constructive cooperation with the authorities. Only a coordinated approach driven by a shared desire to reach the objective can lead to the successful completion of a cross-border project such as this one. This project has now reached a level of maturity where we can expect to see the inauguration of the unified market at the start of the next gas year, namely 1 October 2015. A public consultation regarding all of the regulatory documents reviewed is planned for the beginning of February 2015

## 4.2. Competition

### 4.2.1. Monitoring Wholesale and Retail Prices

#### 4.2.1.1. CREG Studies in 2014

- **Study on the Price Operation and Trends on the Belgian Wholesale Natural Gas Market – Surveillance Report 2013.**

In this new study<sup>121</sup>, which will now be updated yearly, the CREG examined the operation and trends of prices on the Belgian wholesale natural gas market. The aim is to provide information to all interested parties on a certain number of important aspects of the Belgian wholesale natural gas market, including gas supply, gas exchange, gas consumption, market integration and the technical aspects (LNG, storage, balancing, etc...) The study looks back on the past 7 years (2007-2013); the year 2007 was chosen as it precedes the financial and economic crisis. As such, the reader can easily understand the evolution of the wholesale natural gas market.

The most important results of the study are as follows:

- The uncoupling from oil prices is continuing. Natural gas supply contracts are decreasingly based on the oil price index and increasingly more so on the index of the current price in the natural gas trading markets, where ever greater amounts of natural gas are being negotiated. This trend towards more gas competition is positive.
- Competition is growing on a stagnating natural gas market. More and more wholesalers are competing to acquire

natural gas customers on the Belgian market. There are twenty wholesalers active on the H gas market, of which seventeen also deliver L gas. This results in more competitive prices for end users.

- Cross-border market integration has been achieved. Thanks to the removal of congestion for access to capacity at the borders and the promotion of a flexible market operation, the Belgian market has been integrated with the neighbouring markets: both price levels and evolution are similar. The tendency for the harmonisation of natural gas prices across the border has led to greater economic efficiency.
- Market interest for LNG and the storing of natural gas is decreasing. Under the influence of international competition and price trends, use of both the Zeebrugge LNG terminal and the Loenhout underground storage facility has been reduced. The creation of new services adapted to the needs of the market leads to this trend being turned around.
- Competition and market integration are clearly visible on the Belgian wholesale natural gas market, and have led to a series of changes on the market. These volatile market developments require close surveillance so that, if needed, fast reactions can be ensured.

- **Study on the Relationship Between Costs and Prices on the Belgian Natural Gas Market in 2013**

On 4 December 2014, the CREG wrote a confidential report<sup>122</sup> concerning the relationship between the costs and prices of natural gas in Belgium in 2013, with regards to imports, reselling (resellers) and supply (households/SME, industry, power stations).

The study highlights that long-term contract import prices (70% of the volume in 2012) increasingly included indexation based wholly or partly on exchange prices. The use of exchange prices instead of oil prices in supply contracts is increasing further still each year.

On the retail market, all suppliers have been using an indexation based on exchange prices since October 2013. The discrepancy between the prices of the various suppliers has decreased, mostly due to the historical suppliers abandoning oil indexing.

On the industrial market, we can see a noticeable increase in competition and lowered margins on this sector, especially for large companies connected to the transmission network. As opposed to the standard formulas used on the retail market, the tariff formulas used on this market can be negotiated.

As regards natural gas delivery to power stations, prices were lower still owing to indexation based on coal prices for some of the volume.

This report has also analysed the cost of internal transport carried out by multinationals on the gas market and has issued recommendations regarding the transparency of bills. The CREG issues this report to the Ministry for Energy, and the Belgian Competition Authority.

<sup>121</sup> Ibidem 120.

<sup>122</sup> Report (I)141204-CDC-1383 on the relationship between costs and prices on the Belgian natural gas market in 2013

On 18 December 2014, the CREG carried out a study<sup>123</sup> on the prices applied on the Belgian natural gas market in 2013, with regards to imports, reselling (resellers) and supply (households/SME, industry, power stations). This is the non-confidential version of the aforementioned report sent to the Ministry.

#### 4.2.1.2. Safety Net

Readers are referred to paragraph 3.2.1.2 of this report.

#### 4.2.2. Monitoring Market Transparency and Openness

- The REMIT Regulation

Readers are referred to paragraphs 2.5 and 3.2.2.4 of this report.

- Charter of Best Practices for Electricity and Gas Price Comparison Websites

Readers are referred to paragraph 3.2.2.5 of this report.

#### 4.2.3. Supply Price Recommendations

Readers are referred to paragraph 3.2.3 of this report.

### 4.3. Consumer Protection

Readers are referred to paragraph 3.3 of this report.

## 4.4. Security of Supply

### 4.4.1. Monitoring the Balance Between Supply and Demand

#### A. Natural Gas Demand

In 2014, total natural gas consumption amounted to 160.4 TWh, which represents a large decrease (-12.5%) compared with consumption in 2013 (183.2 TWh). All types of consumers saw a drop in natural gas consumption. This drop in natural gas consumption was also seen with large consumers: the consumption of industrial natural gas decreased by 3.8%

and the consumption of natural gas for generating electricity dropped by 6.7%. The warmer temperatures in 2014 slightly reduced the demand for natural gas on distribution networks, namely by 18.7%. The estimated heating needs in 2014 were 28% lower than in 2013. Under these conditions, the share of the natural gas offtake on the distribution networks was 49.6% in 2014 (as opposed to 53.4% in 2013). The slight difference between the wholesale prices for electricity and natural gas (we can even note periods of negative clean spark spread) played a significant role in explaining the steady fall in average natural gas demand for electricity generation and the import of electricity as a major source of Belgian electricity supply. The demand for industrial natural gas continues to suffer because of the economic situation and is proving unable to return to growth figures for natural gas consumption.

Figure 22: Breakdown per user segment of the Belgian demand for H-gas and L-gas in 2013 and 2014. (Source: CREG)

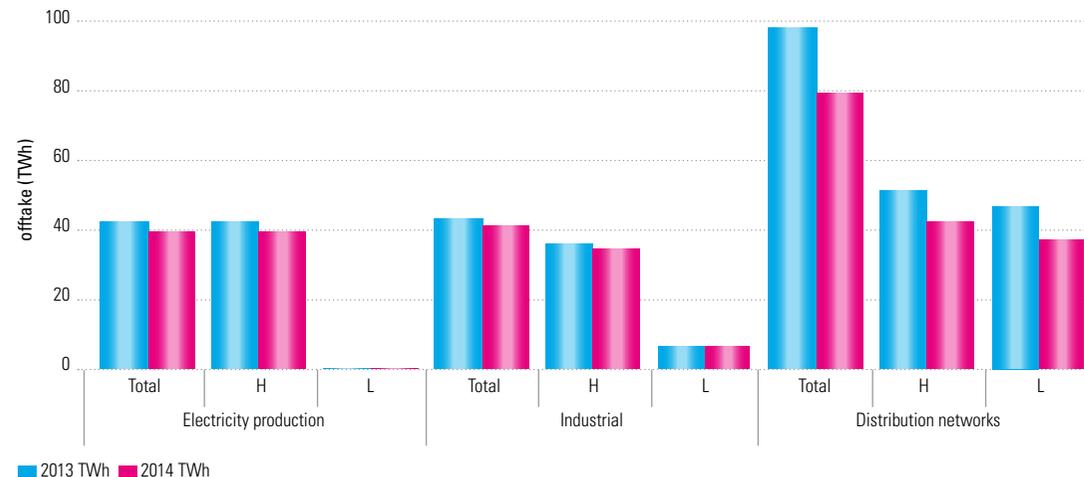
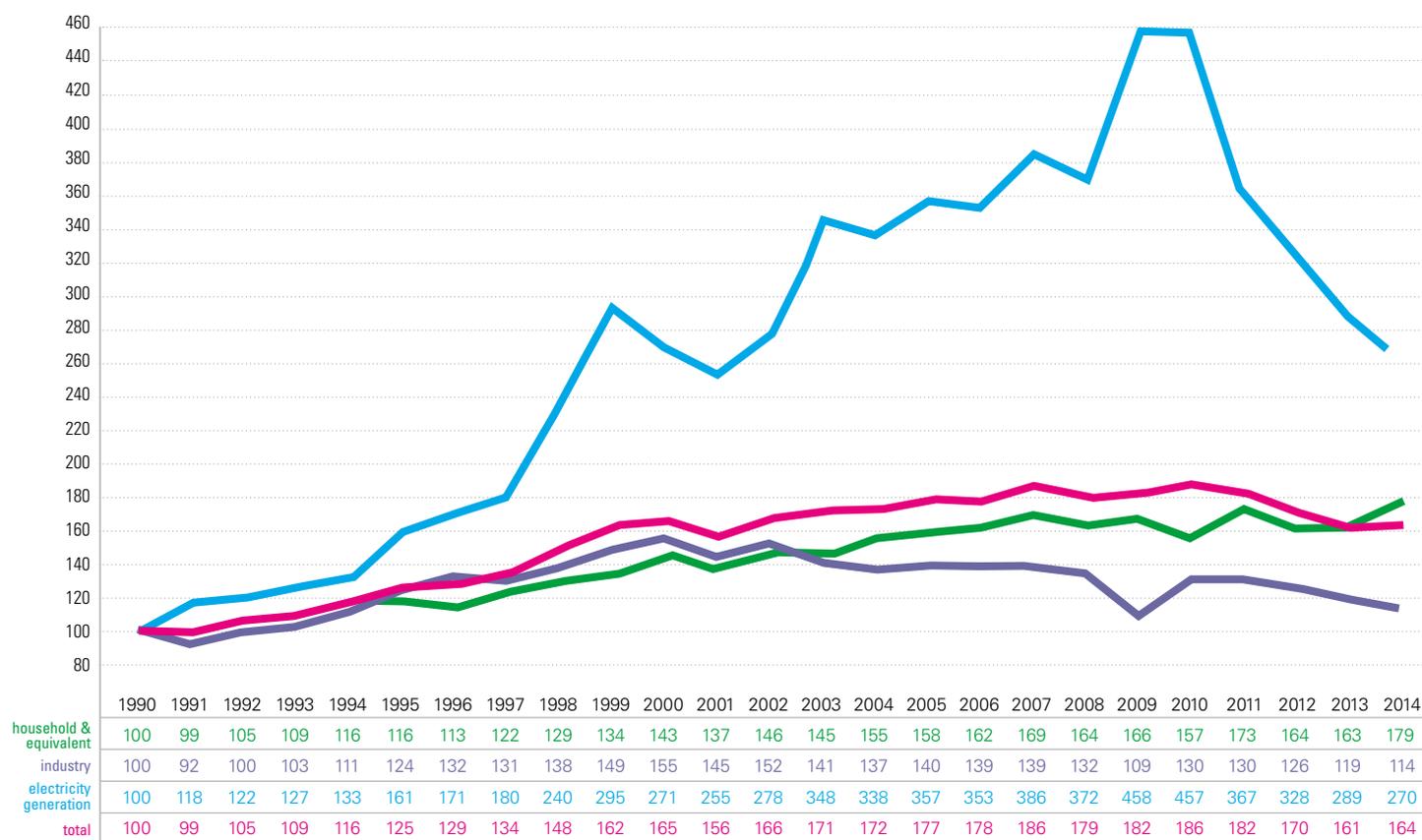


Table 20: Breakdown per user segment of the Belgian demand for natural gas between 2002 and 2014 (in TWh) (Source: CREG)

Sectors	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2014/2013
Distribution	78.3	83.1	88.3	87.2	88.3	82.6	88.5	87.6	101.2	82.5	91.9	97.9	79.6	-18.7
Industry (direct customers)	54.7	50.7	49.3	50.2	50.2	50.0	47.8	39.2	46.9	47.0	45.5	42.8	41.1	-3.8
Electricity generation (centralised facilities)	40.9	51.1	49.7	52.5	51.9	56.7	54.6	67.3	67.1	53.9	48.1	42.5	39.7	-6.7
<b>Total</b>	<b>173.9</b>	<b>184.9</b>	<b>187.3</b>	<b>189.9</b>	<b>190.4</b>	<b>189.3</b>	<b>190.9</b>	<b>194.2</b>	<b>215.3</b>	<b>183.4</b>	<b>185.6</b>	<b>183.2</b>	<b>160.4</b>	<b>-12.5</b>

Figure 23: Development of natural gas consumption per user segment during the 1990-2014 period (1990=100), corrected for climate variations (Source: CREG)

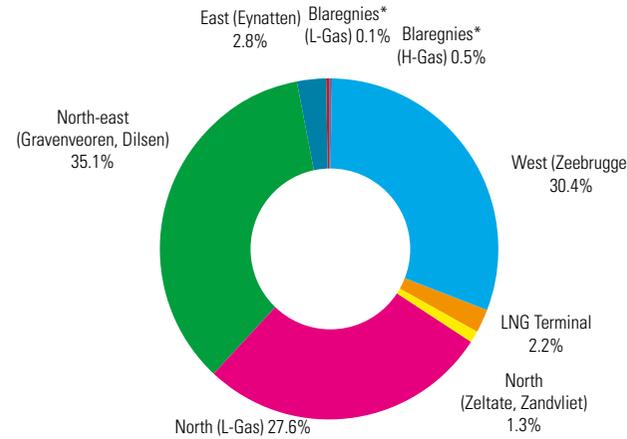


**B. Natural Gas Supplies**

Natural gas suppliers can choose from a series of entry points on the natural gas transmission system to carry out national and international natural gas transactions and to supply their Belgian customers with H-gas. Natural gas customers who use L-gas are supplied directly from the Netherlands or indirectly, in backhaul, via the Blaregnies interconnection point with France. LNG imports, mainly from Qatar via the Zeebrugge terminal, accounted for a share of 2.2% of the average import portfolio in 2014. A significant shift in imports via Gravenvoeren (35.1% compared with 19.4% in 2013) was seen in 2013. This shift began in 2013 and means that Gravenvoeren has seen, in 2014, an increase in natural gas flows allocated by natural gas suppliers on the Belgian market, compared with the Zeebrugge access port (30.4% in 2014). Physical imports of natural gas from France have so far not been possible due to the odorisation of natural gas which, in France, is carried out as soon as the natural gas enters the country. In virtual terms, however, imports did take place at the Blaregnies interconnection point, for both H-gas and L-gas, owing to nominations in backhaul of natural gas flows from border to border which are initially intended for the French market.

The supply portfolios of the individual natural gas suppliers resulted in a differentiated supply depending on the type of contract. The share of long-term contracts concluded directly with natural gas producers with a remaining duration in excess of five years decreased (51.1% in 2014 compared to 55.5% in 2013 and 61.9% in 2012) but still constituted the main component. Total supplies made via supply contracts concluded directly with natural gas producers amounted to, however, 63.8% in 2014 (compared with 60.5% in 2013) owing to the increase in the number of contracts lasting less than a maximum of five years. The net supply on the wholesale market has seen a slight decrease in 2014, due to the contracts of less than a year which represent a share of 34.6% (37.9% in 2013) Long-term contracts signed with natural gas producers remain the

Figure 24 : Breakdown of incoming natural gas by entry zone in 2014 (Source: CREG)



\* The Blaregnies entry points are used "in backhaul" to the actual flows (reverse flow), making use of the predominant transit flows at these points.

Figure 25 : Composition of the aggregated supply portfolio of suppliers operating in Belgium in 2014 (Source: CREG)

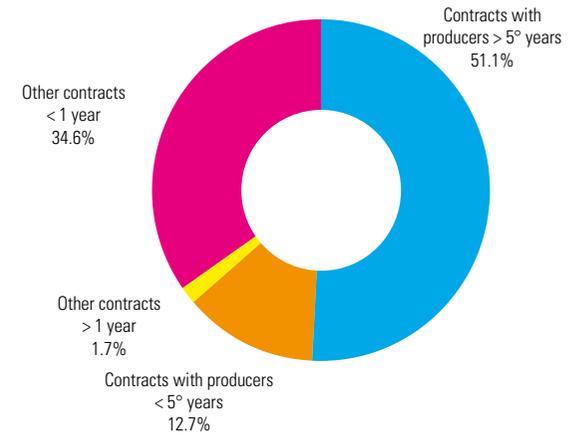
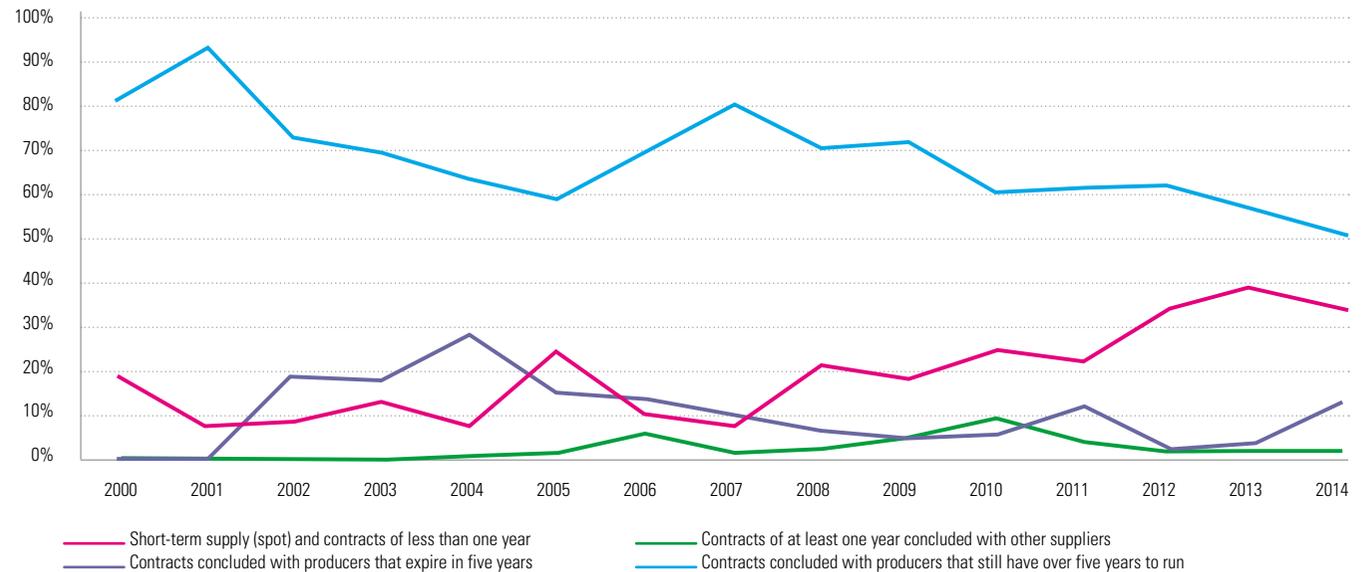
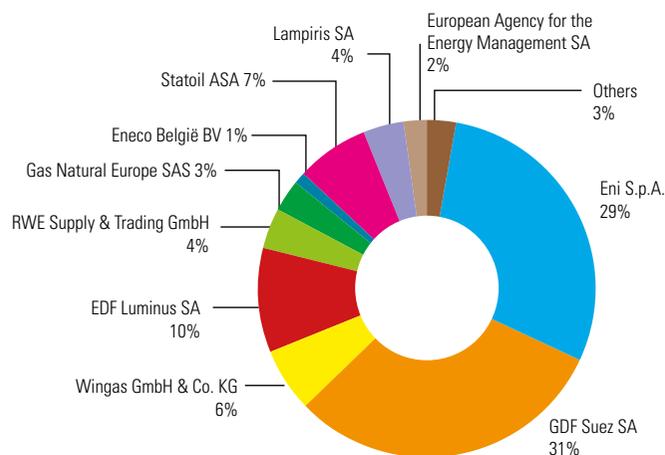


Figure 26: Composition of the aggregated supply portfolio for the Belgian natural gas market in 2000-2014 (shares in %) (Source: CREG)



basis of the portfolios of the major suppliers on the Belgian market, but more and more suppliers holding a smaller share of the market are taking supplies from the wholesale market.

Figure 27 : Market share of supply companies on the transmission system in 2014 (Source: CREG)



\*Others: supply companies each holding a market share of less than 1% (Progress Energy Services BVBA, E.ON Global Commodities SE, natGAS Aktiengesellschaft, Total Gas & Power Ltd, Vattenfall Energy Trading Netherlands NV, Belgian Eco Energy NV, Enovos Luxembourg SA, European Energy Pooling BVBA, Antargaz SA, Getec Energy AG, Direct Energie, Enel Trade S.p.A.).

In 2014, a total of 22 supply companies were operating on the Belgian market (as opposed to 20 in 2013). GDF Suez (31% compared to 33% in 2013) and ENI S.p.A. (29% compared to 31% in 2013) together account for 60% (compared to 64%) of natural gas supplies to wholesale consumers directly connected to the transmission systems and distribution systems. The third largest supplier is EDF Luminus with a market share of 10% (compared to 11% in 2013). The remaining 19 supply companies (together accounting for a market share of 30%) each hold a market share of less than 10%, and 10 of these do not even reach 1%. Although the market remains highly concentrated, pressure is exerted by emerging companies which compete with one another to acquire a share of the Belgian natural gas market.

#### 4.4.2. Monitoring TSO Investment Plans

The natural gas transmission system, operated by Fluxys Belgium, has developed in such a way that it has become an important intersection for transmission pipelines in north-west Europe, reporting a record level in terms of coupling with neighbouring transmission systems. Import capacity increased to more than ten million cubic metres of natural gas per hour (100 GWh/hour) with natural gas flowing in both directions and no congestion problems. This maturity explains why no significant investment in extensions is directly planned in the programme. The need to replace certain elements of some facilities will however increase.

There are some unfavourable developments making decisions to invest further in extensions less clear-cut. Demand for natural gas is actually stagnating or even shrinking, and is also showing increased volatility. Short-term transmission capacity orders continue to increase without, however, showing any commitments in long-term transmission contracts for the transmission system operators.

In 2014, Fluxys Belgium drafted a ten-year plan concerning the development of the system (2014-2024), in accordance with article 15/1, paragraph 5 of the gas act. The CREG evaluated this plan in parallel with the ENTSO-G's 10-year European investment plan (TYNDP) and the north-west Europe transmission system operators' regional investment plan (GRIP) and found no issues. The current major challenge is the conversion of the separate L-Gas transmission system with the aim of evolving towards a Belgian natural gas market supplied exclusively with H-Gas. This conversion is necessary because no new long-term contracts will be concluded with the Netherlands for the supply of L-Gas, given the way in which the Netherlands are managing the remaining stocks of L-Gas. Furthermore, the Dutch government is constantly taking more drastic measures to limit the offtake of the L-Gas remaining in Groningenveld because of the risk of earthquakes in the north

of the Netherlands. In this context, an urgent plan is needed to convert L-Gas consumers to H-Gas.

The Alveringem-Maldegem gas pipeline which will connect the new LNG terminal in Dunkirk to the Belgian transmission system is an important investment project which is currently underway. In Belgium, this involves the construction of a new natural gas pipeline running over 72km, between Alveringem and Maldegem, with entry points for the supply of local natural gas. It is expected to enter into service in December 2015;

A second project concerns the expansion of the Zeebrugge LNG terminal and includes the construction of a second landing station for LNG ships. It is expected to enter into service in the second quarter of 2015. A third investment project concerns the construction of a fifth reservoir on the Zeebrugge LNG terminal, with a capacity of 180,000m<sup>3</sup> of LNG (2015-2018).

Limited annual growth on distribution systems of around 1% of the expected development for industrial customers' and power stations' natural gas has given rise to some enlargement, but much less than in previous years. Moreover, carrying out this investment continues to depend on adequate remuneration from the capacity by end users.

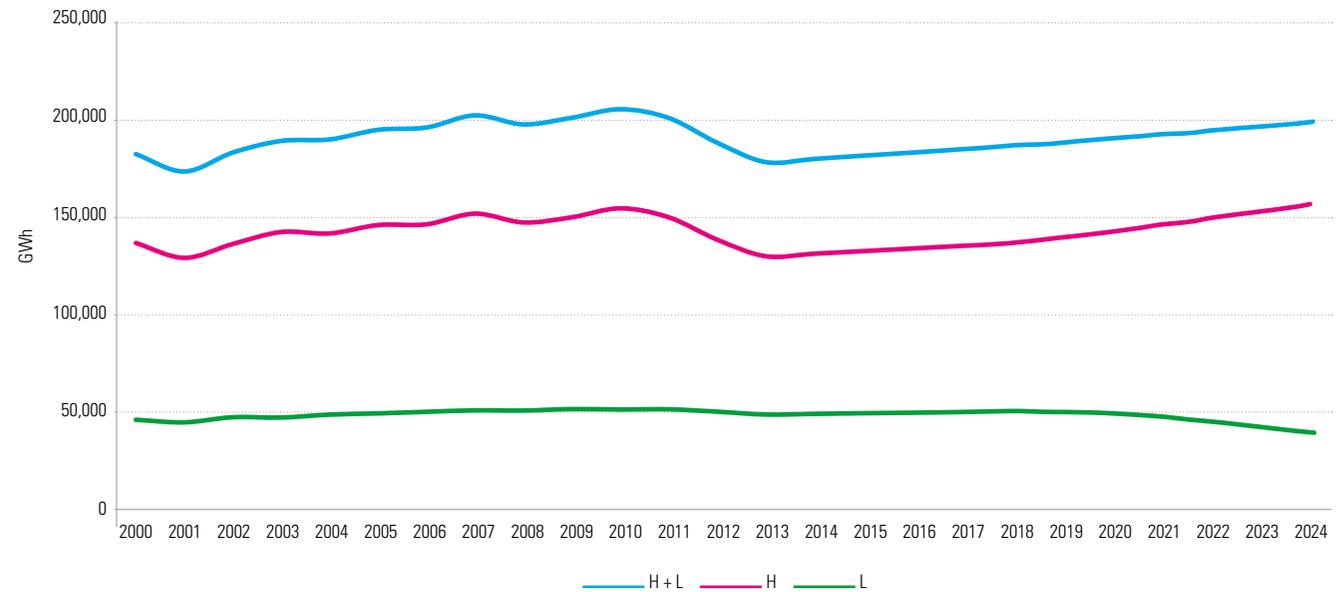
The European investment context is shifting. Firstly there are changes in demand-side behaviour. Secondly, European regulations are more focused on building trans-European natural gas corridors, not only helping with the need for physical supply, but also with a view to encouraging market integration, competition, security of supply and sustainability. Cost issues remain of crucial importance to the CREG, and it is obvious that greater attention will be paid to alternative solutions to avoid wasted investment. Cross-border investment decisions are increasingly subject to new factors which go beyond national interests.

#### 4.4.3. Forecasts on Future Demand, Available Reserves and Additional Capacity.

##### • Demand

Figure 29 shows the outlook for total natural gas demand in Belgium according to the CREG reference scenario used to follow up the necessary investments made on the Fluxys Belgium network. This total natural gas demand is determined by adding together the expected consumption of the household sector, the tertiary sector, industry and electricity generation. In this case, it involves the normalised trend that takes account of temperature. These forecasts are inevitably extremely hypothetical, given all the current uncertainties. These predictions may be modified in the short term should the market conditions alter. Above all, there is a great deal of sensitivity regarding the use of existing power plants that run on natural gas, the construction of new power plants, the competitive position of natural gas in the energy mix, especially for wholesale users, the economic forecasts and the future of L-gas supplies from the Netherlands. For L-gas, no new contracts have been signed due to the reduction in the remaining reserve volumes at Groningenveld. Besides, as previously mentioned, the Dutch government is constantly taking more drastic measures to limit the offtake of the L-gas remaining at Groningenveld because of the risk of earthquakes in the north of the Netherlands. The expansion of the Belgian L-Gas market is therefore not an option and a course will have to be set for the timely conversion of natural gas customers from L-Gas to H-Gas.

Figure 28: Forecast demand for natural gas in Belgium until 2024 (GWh, normalised t, H + L) (Source: CREG)



##### • Supply

In 2014, the number of H-gas importers on the Belgian market increased and currently stands at 22. The overall diversification level for all importers combined is very high, in terms of both sources of physical supply and supply routes. The trends that are emerging include a rise in the number of short-term natural gas transactions, a greater volume of business, increased volatility, more international trade-offs and price coupling between European markets. Conditions for attracting and dividing up natural gas flows are favourable

in Belgium. Maintaining the liquidity of the market in Belgium is essential both for Belgium's security of supply and for "exporting" security of supply to other markets in north-western Europe.

As for L-gas supplies in 2014, 20 suppliers depended almost exclusively on the Poppel/Hilvarenbeek interconnection point for supplies from the Netherlands. Longer-term trends will be largely determined by the energy policy adopted in the Netherlands with regard to the offtake and exporting of L-gas which is a subject of discussion at the moment.

#### 4.4.4. Covering Peak Offtake

The peak day offtake of natural gas in Belgium in 2014 was recorded on Wednesday 3 December. Belgian natural gas consumption increased to 864 GWh (against 1068 GWh in 2013), which is 1.97 times the average daily consumption. Distribution systems accounted for 61% of peak day offtake, 23% was used in generating electricity, and the remaining 16% was used by industry.

The peak daily consumption of 864 GWh on 3 December 2014 was covered by a range of natural gas sources. Supplies of natural gas from the Netherlands covered 54% of the peak demand (28% H-gas, 26% L-gas); 31% came directly from the Norwegian gas fields in the North Sea via the Zeepipe into Zeebrugge and 4% came from Germany. In addition, 7% came from the Loenhout underground storage facility, 4% from the Zeebrugge LNG terminal and 0.1% from converting H-gas into L-gas by adding nitrogen at the conversion facility run by the system operator, Fluxys Belgium.

Figure 29: Breakdown of the peak day offtake by user segment in 2014 (Source: CREG)

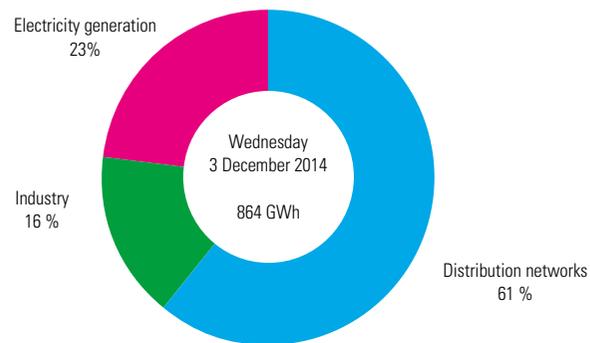
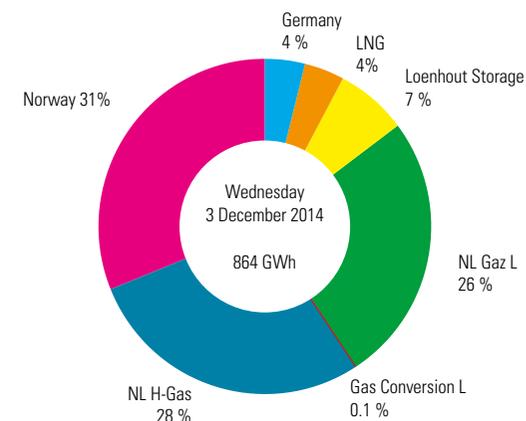


Figure 30: Breakdown of the sources of natural gas to cover the peak day offtake in 2014 (Source: CREG)





# 5. The CREG





### 5.1. The CREG's Board of Directors and Staff

The Board of Directors is responsible for the operational management of the CREG and undertakes everything that is necessary or useful for the fulfilment of the assignments entrusted to it by the Electricity Act and the Gas Act.

The chair and the three directors who make up the Board of Directors are appointed by royal decree after consideration by the Council of Ministers for a six-year term of office, which can be renewed once. They deliberate as a college in accordance with the usual rules on deliberating meetings.

Since 1 September 2013, the chair of the Board of Directors, a role which includes responsibility for managing the CREG, has been Mrs Marie-Pierre FAUCONNIER. The three directors are Mr Laurent JACQUET, who is in charge of price and accounts monitoring, Mr Koen LOCQUET, who heads up the administrative directorate and Mr Andreas TIREZ, who is in charge of the technical operations of the electricity and natural gas markets.

As of 31 December 2014, in addition to the Board of Directors, the CREG employed 67 members of staff.

Table 21: Directorates and staff of the CREG as of 31 December 2014

<b>CHAIRMANSHIP OF THE BOARD OF DIRECTORS</b>	
FAUCONNIER Marie-Pierre	Chair of the Board of Directors
DEVACHT Christiane	Assistant to the Director
FIERS Jan	Secretary of the Board of Directors
DE VREESE Annemarie	Communications Manager
VAN HAUWERMEIREN Geert	European Strategic Advisor
COZIGOU Liana	Advisor
<b>DIRECTORATE FOR THE TECHNICAL OPERATION OF THE MARKETS</b>	
TIREZ Andreas	Director
GOOVAERTS Wendy	Assistant to the Director
VAN KELECOM Inge	Multi-Purpose Secretary
GHEURY Jacques MARIEN Alain MEES Emmeric VAN ISTERDAEL Ivo WILBERZ Eric	Chief Advisers
CLAUWAERT Geert CUIJPERS Christian DE WAELE Bart FONTAINE Christian PONCELET Yves	Senior Advisers
FILS Jean-François LUICKX Patrick MAENHOUDT Marijn	Advisors
SCHOUTTEET Nico	Assistant Advisor
<b>DIRECTORATE FOR PRICE AND ACCOUNTS MONITORING</b>	
JACQUET Laurent	Director
FELIX Kim	Assistant to the Director
CORNELIS Natalie de RUETTE Patrick LAERMANS Jan	Chief Advisers
ALLONSIUS Johan BARZEELE Elke DEBRIGODE Patricia DUBOIS Frédéric HERNOT Kurt JOOS Benedikt MAES Tom SOFIAS Anastasio	Senior Advisers
COBUT Christine DE MEYERE Francis LIBERT Brice PIECK An WILMART Gilles	Advisers
<b>DIRECTORATE FOR GENERAL AFFAIRS</b>	
LOCQUET Koen	Director
SELLESLAGH Arlette	Assistant to the Director
<b>Gas and Electricity Advisory Board</b>	
DE LEEUW Han HERREZEEL Marianne	Advisers
<b>General Administration</b>	
DE PEUTER Caroline	HR & Office manager
SMEDTS Hilde	Senior Legal Adviser
VAN MAELE Nele	Administrative Assistant
BAUWENS Evi ESSER Mercédès VAN ZANDYCKE Benjamin	Translators
LOI Sofia	Coordinator
CEUPPENS Chris DE DONCKER Nadine WYNS Evelyne	Multi-Purpose Office Staff
JUNCO Daniel	Logistics Staff Member
<b>IT Department</b>	
DAELEMEN Kurt	Systems and Networks Manager
GORTS-HORLAY Pierre-Emmanuel	Junior IT Manager
<b>Finance</b>	
SCIMAR Paul	Head of Finance
LECOCQ Nathalie	Accountant
CROMBEZ Thomas	Accounting and Administrative Assistant
PINZAN Laurent	Administrative Staff Member
<b>Research, Documentation and Archives</b>	
BOUCQUEY Pascal	Chief Adviser
CHICHAH Chorok DETAND Maria-Isabella GODDERIS Philip HEREMANS Barbara ROOBROUCK Myriam STEELANDT Laurence ZEGERS Laetitia	Senior Advisers
HENGESCH Luc	Archivist

## 5.2. Gas and Electricity Advisory Board

The gas and electricity advisory board<sup>124</sup> (formally known as the general council) provides advice and acts as a discussion forum, created within the CREG and the Federal Energy Ministry.

Its role is:

- to set guidelines for the application of the Electricity and Gas Acts and their implementation decrees, on its own initiative or at the Minister's request;
- to draft opinions on any issue submitted to it by the CREG's Board of Directors;
- to be a forum for discussion of energy policy objectives and strategies.

The advisory board met seven times in 2014.

It is chaired by Mr Olivier Van de Maren and the vice-chair is Mr Mathieu Verjans.

Regular participation by a representative of the Secretary of State for Energy has enabled the General Council to focus its work on the most urgent aspects and to be kept informed periodically of the government's concerns regarding gas and electricity. The many questions members asked the representative of the Secretary of State for Energy made it possible to inform the Secretary of State of the concerns of the Advisory Board.

The Advisory Board put forward two opinions in 2014. They were drafted by the «Electricity Market Operations» working group.

Opinion no. 60 relating to study 1319 on the operation of and changes in prices on the Belgian wholesale electricity market - 2013 monitoring report

The Advisory Board thanked the CREG Board of Directors for this annual monitoring report. The report is an essential contribution, to electricity market transparency in Belgium and therefore to improving how the market operates. The Advisory Board asked the Board of Directors to continue to publish this report annually, and hopes other European Union regulators will follow this example.

The Advisory Board broadly concurs with the analysis of the Board of Directors and thus endorses most of the recommendations made.<sup>125</sup>

Opinion no. 61 on CREG opinion 1266 relating to the royal decree amending the royal decree of 20 December 2000, relating to the conditions and procedure of granting the state concessions for the construction and use of water, current and wind-based electricity generation facilities in marine areas that fall within Belgium's jurisdiction in accordance with the International Law of the Sea (Atoll):

The advisory board's working group «Electricity Market Operations» has met several times regarding the subject of this opinion and has invited experts from E.On, Re-Charge and Fluxys. It thanked the CREG and the various experts for their greatly appreciated contributions.

The growing number of generation units whose supply of electricity to the network is not guaranteed at all times and the absence of investments in the guaranteed supply

generation units has caused a rapid increase in the need for flexibility in the electricity system. It is, nevertheless, clear that this flexibility clashes with economic and physical limitations.

Flexibility can be obtained through various means that may each play a role in view of guaranteeing the balance of the electricity network, and can, thus complement each other.

These different forms of flexibility each have their own specific costs and benefits. The advisory board now requests that the competent authorities carry out an in-depth cost/benefit analysis of the different possible solutions. Priority must be given to solutions that offer, at a minimal cost to society, the best solution to the growing need for flexibility. Based on the positions taken by the experts consulted, it seems that, to this end, the storage of electricity in the current state of technology is, in any case, more expensive than demand management.<sup>126</sup>

<sup>124</sup> Also see point 2.4 of this report.

<sup>125</sup> The whole opinion text is available on <http://www.creg.be/arcg/fr/outputdb.asp>.

<sup>126</sup> The whole opinion text is available on <http://www.creg.be/arcg/fr/outputdb.asp>.

Table 22: Members of the General Council as of 31 December 2014 (Source: Official Journal)<sup>127</sup>

	ACTUAL MEMBERS	DEPUTY MEMBERS
Federal Government	VANEYCKEN Sven ROOBROUCK Nele CHAHID Ridouane ANNANE Jihane DORREKENS François DASGUPTA Jivan	JUSTAERT Arnout WAEYAERT Nicolas JOURDAIN Sigrid NIKOLIC Diana NICOLAS Stéphane DEMEYERE Frank
Regional Governments	BIESEMAN Wilfried AUTRIQUE Henri JACQUET Annabelle	TANGHE Martine BOHET Maurice DECROP Jehan
Representative employees' organisations sitting on the National Labour Council	VERJANS Mathieu VERHUE Maureen VAN DAELE Daniel DE CROCK Bart	NICAISE Didier WIJNGAERDEN Jan VAN MOL Christiaan SKA Marie-Hélène JONCKHEERE Caroline
Representative employees' organisations sitting on the Council for Consumption	DE WEL Bert STORME Sébastien	QUINTARD Christophe SPIESSENS Eric
Organisations for the promotion and protection of the general interests of small-scale users	ADRIAENSSENS Claude DOCHY Stéphane	RENSON Marie-Christine MOERS Jan
Representative organisations of industry, and the banking and insurance sector sitting on the Central Economic Council	VANCRONENBURG Geert BROUWERS Els VAN der MAREN Olivier	VANDERMARLIERE Frank CALOZET Michel AERTS Kristin
Representative organisations of the crafts, small and medium-sized trading companies and small-scale industry sitting on the Central Economic Council	DE BUYSER Capucine VANDEN ABEELE Piet	DEPLAE Arnaud VAN GORP Michel
Major electricity consumers	CLAES Peter	EELENS Claire
Major natural gas consumers	BRAET Luc	de MUNCK Laurent
Electricity producers who are members of FEBEG (the Belgian federation of electricity and gas companies)	VAN DEN BOSCH Marc SCHOONACKER Frank	DE GROOF Christiaan de VILLENFAGNE Aude
Electricity producers renewable energy sources	LAUMONT Noémie	BODE Bart
Electricity producers co-generation	BOYDENS Jean-Pierre	MARENNE Yves
Industries that generate electricity for their own needs	BÉCRET Jean-Pierre	ZADORA Peter
Distribution network operators - INTERMIXT	GRIFNEE Fernand HUJOEL Luc DE BRUYCKER Luc	DECLERCQ Christine DEBATISSE Jennifer VERSCHELDE Martin
- INTER-REGIES	DE BLOCK Gert	HOUGARDY Carine
Transmission System Operator for Electricity	DAMILOT Julien	MERTENS Steven
Transmission System Operators for Natural Gas	GOSSUIN Luc	DESCHUYTENEER Thierry
Holders of a supply permit for natural gas who are members of FEBEG	VANDEN BORRE Tom VAN NUNEN Carlos	DE BUCK Hilde DEDECKER Gunnar
Environmental Associations	VAN DYCK Sara VANDE PUTTE Jan	TURF Jan DE SCHOUTHEETE Cécile
Holders of supply permits for electricity who are members of FEBEG	HEYVAERT Griet WYVERKENS Herman	GODTS Annemie VAN BOXELAER Kathleen
Market operator for the exchange of energy blocks proposed by BELPEX	MATTHYS-DONNADIEU James	PIERREUX Nicolas

<sup>127</sup> The list of members has not been modified in 2014.

### 5.3. General Policy Plan and Comparative Report on the Objectives and Achievements of the CREG

As stipulated in the Electricity Act, in 2013 the Board of Directors prepared the “general policy plan for 2015”<sup>128</sup>. In it, the CREG lists thirty-five objectives that it wishes to achieve, with respect to legal provisions, the directions drawn up by the Federal Government and the Federal Parliament in the energy sector, as well as its competencies and its independence. This general policy note for the year 2015 is a continuation of what has been undertaken by the Board of Directors since September 2013 and, more specifically, the CREG’s Strategy Plan for 2013-2019.

The general policy note accompanies the CREG’s draft budget for the year 2015. Both have been sent to the president of the Chamber of Representatives and to the president of the Commission for Economy, Scientific Politics, Education, Scientific and National Cultural Institutions, for the middle classes and of the Chamber of Agriculture (hereafter: the Economic Commission) and presented during a CREG hearing before the Economic Commission on 9 December 2014.

A comparative report has also been drafted between the objectives as formulated in the general policy note for the year 2013 and their completion in 2013. This report<sup>129</sup> was sent, accompanied by the CREG’s annual report 2013, on 25 April 2014 to the Energy Secretary of State, to the Vice Prime Minister and to the Interior Minister, to the President of the Chamber of Representatives and the members of the Economic Commission.

In its general policy note of the year 2013, the CREG identified fifteen objectives to be achieved. These objectives can be broken down into one hundred and thirty-three actions

corresponding to individual tasks to be completed. At the end of 2013, the CREG noticed that the exact number of completed actions actually totalled one hundred and forty-six. These thirteen additional actions were primarily studies and opinions carried out by the CREG and issued upon request from the Energy Secretary of State and decisions made by the CREG in 2013 relating to tariffs of the Elia and Fluxys Belgium network, contributions on a European level (Framework Guidelines on Harmonised Gas Transmission Tariff Structures and transparency rules with regards LNG terminals) and initiatives such as the monthly publication of the «overview and trends of electricity and natural gas prices for residential customers and small and medium businesses».

### 5.4. The CREG’s Strategy Plan 2013-2019

The CREG’s new Board of Directors, in place since September 2013, finalised, in May 2014, the CREG’s strategy plan for the years 2013 to 2019, a period which corresponds to the duration of the term of its four members.

First of all, the strategy plan provides the results of the institution’s SWOT<sup>130</sup> analysis and then defines the values, the mission and the strategic axis that will govern the future actions of the CREG over the course of the next six years, with the assistance of the active management of the CREG’s support services and the constructive management of the regulator’s relationships with all of the active parties.

Faced with the growing complexity of an energy sector in transition, the CREG’s role will consist of ensuring the flexibility and efficient operation of the system and the durability of the electricity and gas market, with the ultimate goal of having the consumers’, regardless of their size, best interests at heart.

To do so, on the one hand, the CREG will ensure objectively that the rules are respected, in active cooperation with the other authorities. On the other hand, it will make the market more transparent and easy to understand for the consumer and the other market players, and will advise the authorities as regards improving of operation of the Belgian and European market, for all activity sectors combined.

This role will meet the objectives in terms of:

1. improving the operation of the natural gas and electricity market in order to make it more efficient;
2. reinforcing the regulation of the transmission networks to ensure the development of competition and the optimal operation of the liberalised markets;
3. accompanying the transition to a more sustainable energy system thanks to the implementation of a flexible system.

Moreover on 30 July 2014, the CREG published a document entitled «CREG advisory role with the public authorities for a coherent and balanced energy transition» in which it shows itself willing, in its advisory capacity to the authorities, in case of a request from policy managers, to contribute its expertise on the matter and to play a precursory role if necessary. Additionally, it submits concrete proposals aiming, on the one hand, to reinforce the protection of consumer interests and, on the other hand, to modify and reinforce the regulatory framework in order to improve the operation of the electricity and natural gas markets.

<sup>128</sup> Note (Z)141023-CDC-1382 general policy for the year 2015.

<sup>129</sup> Comparative report (Z)140424-CDC-1325 of the objectives formulated in the CREG’s general policy note and the accomplishments of the year 2013.

<sup>130</sup> Strengths, Weaknesses, Opportunities, Threats.

## 5.5. Handling Questions and Complaints

The CREG has continued, in 2014, to handle, on a voluntary basis, the questions and complaints (just under 700 in 2014) raised by consumers, businesses in the sector, lawyers, consultants, researchers, students, administrations, federal and regional mediation services or international bodies.

In 2014, the CREG also continued working with the federal energy mediation service and the three regional energy mediation services, as the outcome of an agreement reached in 2011, whereby the services concerned agreed on the procedure for handling questions and complaints that do not fall within the remit of the service that receives them.

Following the transfer of responsibility for the distribution tariff, from 1 July 2014, from federal power to regional powers (see point 2 .1 of this annual report), the CREG has also agreed to offer its expertise to the regional regulators in such a way as to ensure the optimal transfer of its knowledge in terms of the fixation of tariffs on the distribution networks.

Furthermore, the CREG submitted, in March 2014, at the request of the federal energy mediation service, its complaints statistics for the year 2013. Thus, of the 918 emails and letters received by the CREG between 1 January and 31 December 2013, 312 complaints (130 in French and 182 in Dutch) fell within the area of competence of the CREG. The CREG defines a complaint as any form of discontent. The majority of them concern the increase in network tariffs applied.

Finally, the possibility for any person who believes that they have been wronged by a decision made by the CREG to request a re-examination of the file by the latter has not been taken up in 2014. Furthermore, the Dispute Resolution Chamber<sup>131</sup>, which is a CREG body, was unable to operate in 2013 due to a lack of any implementing order enabling it to do so.

## 5.6. The CREG Website

The CREG continued to publish any useful information on its website, with the aim of providing electricity and natural gas consumers with the best possible information.

It also began a total redesign of its website to make it even more accessible.

There were 173,980 visits to the CREG website in 2014.

The most frequently viewed pages (French and Dutch versions combined) of the 564,117 pages were as follows:

Home page	16.88%
Price comparison	7.16%
Electricity distribution tariffs	6.44%
Conversion from m3 to KWh	5.04%
Publications	4.64%

<sup>131</sup> The dispute resolution chamber is called upon to resolve disputes between system operators and users as regards the obligations imposed on TSOs, DSOs and the operators of closed industrial systems, with the exception of disputes over contractual rights and obligations.

## 5.7. Participation of CREG Members as Speakers at Seminars

Table 23: Overview of presentations given by the CREG in 2014<sup>132</sup>

Organizing body	Title of Seminar	Title of presentation	Date
SPF Economie	World Energy Outlook 2014	What are the main components of the price of energy and how can these be influenced	14/01
Premier Cercle	European Energy Forecast	Gas and electricity costs in an industrial competitive context	5-7/02
BNP PARIBAS	Belgische energiepolitiek voor onze klanten (institutionele investeerders)	The role of the market in keeping the Belgian grid balanced	6/02
Fluxys	Shippers Meeting	Cross border regulation in Europe	6-7/02
CEER	CEER Training for Senior Staff and Board Members	History and current state of play on key policy areas	17-18/02
Febeliec	Conseil d'Administration	Conseil d'Administration Febeliec	25/02
CEER	Training on EC Regulation on Energy Market Integrity and Transparency (REMIT)	Roles and challenges for NRAs under REMIT; Confidentiality & Professional Secrecy: Key Requirements of REMIT	10-12/03
CREG	Plan Stratégique 2013-2019 Strategisch plan 2013-2019	Plan Stratégique 2013-2019 Strategisch plan 2013-2019	14/03
Europ'Energies	Forum d'Europ'Energies	Perspectives de prix, d'offre et de demande sur le marché de l'électricité et du gaz	25/03
Florence School of Regulation and Federal Tariff Service (Russie)	Long-term sustainable development of power grids: national and international dimensions	Regulatory tools & powers to protect & support consumers	28/03
SPF Economie	Info-session Réforme de la cotisation fédérale gaz	La cotisation fédérale gaz 2014	31/03
Stibbe	Client Seminar - Grid tariffs and state reform - A shift of power?	Tarifaire methodologie van de CREG en overdracht van knowhow aan regionale regulatoren	24/04
CEER	CEER Training on Market Monitoring	Wholesale electricity market monitoring – two Belgian cases	27/05
EEM14 / Krakow	EEM14 / Krakow	A Continuous Intraday Trading Model in a CACM FG Compliant World	28/05
SPF Economie & IEA	Energy Demand-Side Management in Belgium in the context of the EU Energy Efficiency Directive and beyond: how can IEA DSM help defining our future energy system?	Integration of Demand Side Participation in the Market : a Federal Perspective	10/06
NautaDutilh	Energy Challenges of the 21st century	De CREG tegenover de energieuitdagingen van de 21 <sup>ste</sup> eeuw	12/06
10 <sup>th</sup> BIEE Conference	BIEE 10 <sup>th</sup> Conference	An investigation into the Gas Trades across the Interconnector Pipeline between the UK and Belgium : Do gas flows follow price spreads ?	17-18/09
Cercle de Lorraine	Déjeuner-débat	Conducting the market towards a succesfull energy transition	22/09
SRBE - KBVE	Nouveaux mécanismes de marché - Nieuwe marktmechanismen	De rol van de markt in het behoud van het netevenwicht	24/09
ACER	Board of Regulators	The role of the CREG with regard to the security of Supply	15/10
Ecole Royale Militaire	Séminaire 2 du 4 <sup>e</sup> cycle HESD de l'IRSD Séminarie 2 van de 4de cyclus HSVD van de KHID	Energy : a strategic factor in international relations	17/10
GRI - ACER	CMP Implementation Process and Interaction with CAM	CMP regime Belgium - Interaction with CAM	20/10
IAEE	14th IAEE European Energy Conference	Calculation of the Maximum Commercial Border Capacity in Interconnected Gas networks	28-31/10
CEER	General Assembly	Update on security of supply situation in Belgium and role of the NRA	17/11
ODE-Vlaanderen	Integratie van hernieuwbare energie – rol van flexibiliteit en aangepaste marktmechanismen voor een optimale integratie van hernieuwbare energiebronnen	De rol van hernieuwbare energiebronnen en van de markt in de Belgische energiebevoorrading: stand van zaken en recente evoluties van de marktplatformen, reserves en net ondersteunende diensten	20/11
Elia System Operator	Elia Stakeholders Day 2014	La CREG : gendarme du marché, mais encore... De CREG : een blik in de keuken...	21/11
Febeliec	Information Session : Market Design & Capacity Mechanisms : which way forward ?	Overview Capacity Remuneration Mechanisms (CRMs)	24/11
RAE-CREG	Belgium - Greece bilateral cooperation in the field of energy	Tasks, structure and powers of RAE and CREG; Regulating gas markets : the point of view of the regulators.	25/11
KULeuven	New Technologies in the Future Grid	The role of the market and of the TSO in the security of supply: not only physical drivers control flows	26/11
NordREG	NordREG Capacity Calculation WS	The CWE FBMC project: the concept and its challenges	11/12

<sup>132</sup> Apart from these interventions, the CREG also had a hearing at the Economy Commission of the Chamber of Representatives in January, September and December 2014 (regarding the role of the CREG in security of supply, the budget and the General Policy Plan of the CREG for 2015) and by the Walloon Parliament in October 2014 (also regarding the role of the CREG in security of supply).

On 16 June 2014, the CREG additionally organised, on its premises and at its own initiative, a workshop on the principle and latest developments regarding Flow-based Market Coupling. The objective of the workshop was to provide information to market players in order to allow them to participate, in the most informed way possible, in the market consultations on this matter organised by the regional regulators for central Western Europe, of which the CREG is a part. The workshop was specifically aimed at active market players in Belgium who are confronted with the implementation of the flow-based market coupling mechanism.

Additionally, on 30 September 2014, the CREG organised a conference on the topic of «15 years of liberalised-market energy», with particular attention paid to the effects of this liberalised market on all consumers, whether they be individuals, small and medium businesses, or large manufacturing companies. On this occasion, the CREG invited international speakers to take stock and outline future challenges for the energy market.

On 11 December 2014, the CREG organised, on its premises and at its own initiative, a workshop entitled «Energy Prices for Small and Medium Companies and Independent Workers: Have you got the time?». In its strategy plan (see point 5.4 of this report), the CREG actually plans to provide more and better information to small and medium companies and independent workers regarding market possibilities. Due to their profile, located between residential users and large industrial users, independent workers and small and medium businesses are often overlooked. Nevertheless, they should also benefit from equivalent monitoring and follow-up in terms of the fixation of prices and contracts. The purpose of this workshop was to fulfill this objective (see also point 3.2.3 of this report).

Finally, in February, March and October 2014, the CREG has, upon request from three market players, given a PowerPoint presentation on the access conditions to the gas transmission network.

and the results obtained for each of the legal roles carried out by the CREG and the three regional regulators.

In its role as a member of the CEER, the CREG has also, as in previous years, given its assistance in a number of other consultations and reports for the benefit of the European commission (see point 5.8.3 of this report).

The CREG has fulfilled its advisory assignment by helping the authorities during the various comitology meetings presided over by the European commission in view of the approval of European network codes (see point space 5.8.2 of this report).

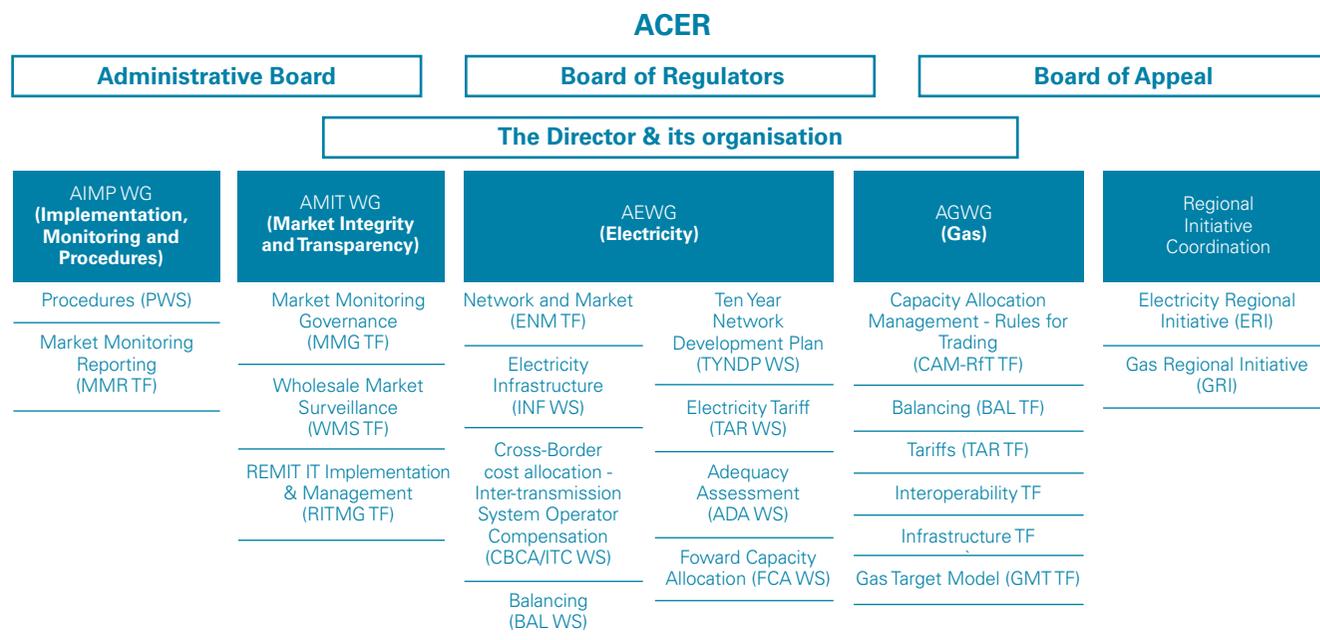
## 5.8. CREG Cooperation with Other Bodies

### 5.8.1. CREG and the European Commission

The “2014 National Report from Belgium”<sup>133</sup>, which reports on the year 2013, was submitted to the European Commission and ACER by the CREG on 30 July 2014. It was written in close collaboration with the three regional regulators (BRUGEL, CWaPE and VREG). This national report, provided for under the electricity act and the gas act, includes the measures taken

### 5.8.2. The CREG within ACER

Figure 31: ACER organisational chart as of 31 December 2014 (Source: CREG)



ACER (Agency for the Cooperation of Energy Regulators) was created by the third European energy package in 2009 in order to encourage the achievement of an internal energy market, both for electricity and for natural gas. The three objectives that it formulated based on the drawn-up legislation concern:

- a more competitive integrated market offering more choice to consumers<sup>134</sup>
- an efficient energy infrastructure in which the free movement of energy beyond borders and the transmission of new energy sources are guaranteed, thereby improving security of supply for the companies of the European Union and consumers<sup>135</sup>;
- a controlled and transparent energy market on which consumers pay a price which is guaranteed to be honest and reflect costs and the abuse of which is deterred<sup>136</sup>.

With regards the first objective (the creation of an integrated energy market), ACER has continued to commit in 2014, to the development of network codes developed by ENTSO-E and ENTSO-G based on the framework guidelines that it drew up itself. The CREG has actively participated in the implementation and the development of the various technical documents drawn up within this framework.

With regards to **natural gas**, the following points may be cited:

- a) In implementation of the first network code relating to the new capacity allocation mechanisms, the PRISMA platform has been extended both in geographical terms by

the connection of new transmission system operators and in terms of the types of products on offer. In its role as the co-president of the Regulatory Advisory Group, the CREG acts as a means of control of the regulators and will continue to offer its support in the future. The PRISMA platform will need to come up with new tasks following the amendment to the network code for the allocation of resources (new and incremental) drawn up by ENTSO-G<sup>137</sup> ;

- b) Regarding the rules on the regularisation of transmission price structures, ENTSO-G has drawn up such a network code in 2014, based on the guidelines previously established by ACER<sup>138</sup>. Because of the interest for the Belgian consumer, the CREG has played an important role in this domain, alongside ENTSO-G. Therefore, arguments took shape behind the political choices supporting this network code, these having been drawn up and published by ACER on 1 April 2014.

- c) On 15 January 2014, ACER issued its 01/2014 recommendation, relating to the network code for rules regarding cross-operation and the exchange of data. This led to an approval on 4 November 2014 at the Gas Committee of the European Commission's member states.

With regards to **electricity**, the following points may be listed:

- a) After years of discussion, numerous efforts were approved in 2014 to obtain, also for electricity, the first technical document, through the «network codes programme». On 5 December 2014, the Electricity Committee of the Member

states within the European Commission approved the framework guidelines relating to capacity distribution and congestion management. In addition to the electricity rules, this document is considered to be the cornerstone of the implementation in Europe of the largest and most competitive market in the world;

- b) On 26 May 2014, ACER recommended that the European Commission adopt the network code relating to the allocation of forward capacity. This network code completes these allocation rules for the aforementioned capacities. It has now been added to the European Commission's agenda, to be handled by the member states' Electricity Commission in 2015;

- c) The fact that ENTSO-G drew up a network code for electrical stability has been the subject of much attention over 2014. On 3 December 2014, ACER organised a consultation on the topic of the newly proposed modifications. This process can be finalised in 2015.

By continuing the development and the implementation of this «network code programme», ACER encourages the European Commission to put into effect the rules imposed by the third European energy package. Thanks to close collaboration between the national regulators such as the CREG, the year 2014 was marked by great forward strides in the implementation of the internal energy market. The regional collaboration, within which the CREG occupies a key position as the main regulator of the Centre-West Europe region (CWE), is a management mechanism which strongly favours this evolution. As a result, seventeen electricity markets

134 In this case, these are the directives and rules of the third energy package and specifically regulation (CE) no. 713/2009 establishing the agency,.

135 In this case, this is regulation (UE) n°347/2013 concerning the orientation for trans-European energy infrastructures.

136 In this case, this is regulation (UE) n°1227/2011 concerning the integrity and transparency of the wholesale energy market (REMIT).

137 Published and sent by ENTSO-G to ACER on 26 December 2014 ([http://www.entsog.eu/public/uploads/files/publications/Tariffs/2014/PR078-14\\_141226\\_ENTSOG%20submits%20INC%20and%20TAR%20NC%20to%20ACER.pdf](http://www.entsog.eu/public/uploads/files/publications/Tariffs/2014/PR078-14_141226_ENTSOG%20submits%20INC%20and%20TAR%20NC%20to%20ACER.pdf))

138 Published and sent by ENTSO-G to ACER on 26 December 2014 ([http://www.entsog.eu/public/uploads/files/publications/Tariffs/2014/PR078-14\\_141226\\_ENTSOG%20submits%20INC%20and%20TAR%20NC%20to%20ACER.pdf](http://www.entsog.eu/public/uploads/files/publications/Tariffs/2014/PR078-14_141226_ENTSOG%20submits%20INC%20and%20TAR%20NC%20to%20ACER.pdf))

were coupled in Europe in 2014 for the daily capacity trade. Each expansion of this market coupling system, introduced to our region for the first time, promotes the development of a single European internal market.

Centre-West (CWE) is a management mechanism which strongly favours this evolution. Thus, seventeen electricity markets were coupled in Europe in 2014 for the daily capacity trade. Each expansion of this market coupling system, introduced to our region for the first time, promotes the development of a single European internal market.

The CREG can count on the cooperation of its regulator colleagues to prepare for the future. This vision of things to come, in which all European regulators share their opinion on the upcoming challenges of the next 10 years, was launched on 23 September 2014, and is called «A Bridge to 2025»<sup>139</sup>. The conclusions of this document feature a large array of issues and are mainly centred around sectoral lines: the gas and electricity sectors, including the changes in the generation of electricity in the European Union; the changing role of the distribution system operators; the protection and accountability of the consumer and the objective of the competitive retail market. In the context of this strategic exercise, the CREG helped adapt the Gas Target Model to the needs of the gas sector. The presentation given by ACER took place on 9 January 2015<sup>140</sup>.

As it does every year, the CREG provided a written contribution to the «**Annual Report on the Results of Monitoring the Internal Electricity and Natural Gas Markets in 2014**»<sup>141</sup>. This is the annual market monitoring report, jointly

written by ACER and the CEER (Council of European Energy Regulators). Based on the experience acquired over the last few years, this report is focused on the new retail markets and their consumers, on the recent trends on the electricity and gas wholesale market and on the access to infrastructure. Additionally, the imagined obstacles to commercial market access are closely studied. Therefore, the study of the year 2014 revealed that, despite a drop in wholesale prices, the retail price of natural gas and electricity is still rising. This document also revealed the vicious circle that exists in many member states, in which a weak «switch» ratio requires an additional regulated intervention, which is in itself a barrier to competition.

Aside from the monitoring of commercial markets, the CREG has continued to carefully monitor the development of infrastructure via ACER. A first list of projects of common interest drawn up in 2014 did not yield any solid results for Belgium. It is, however, a well thought-out process for which good relations with neighbouring regulators can be important for the development of cross-border investment projects.

Additional monitoring missions will result from the third and final objective within ACER: the implementation of the **REMIT Regulations**. As such, the «implementing acts» were published on 18 December 2014. After these acts have been implemented, ACER will be able to carry out market analyses in collaboration with the national regulators, via information obtained concerning transactions on the wholesale market. Suspicious transactions will be transmitted to the national regulators, such as CREG, who will then be responsible for examining them and will apply any sanctions. (See also points

2.5 and 3.2.2.4 of this report). The European implementing acts specified by the previously mentioned report on the market players force ACER to draw up different reports and publish them at the same time. They were, however, drawn up over the course of 2014. The documents were ready and were submitted to the markets as working documents on 9 December 2014. The market players in Belgium have everything they need to respond to the report in the coming months. The underlying IT systems have been installed and tested. The year 2015 is set to be the one where the REMIT regulations are implemented.

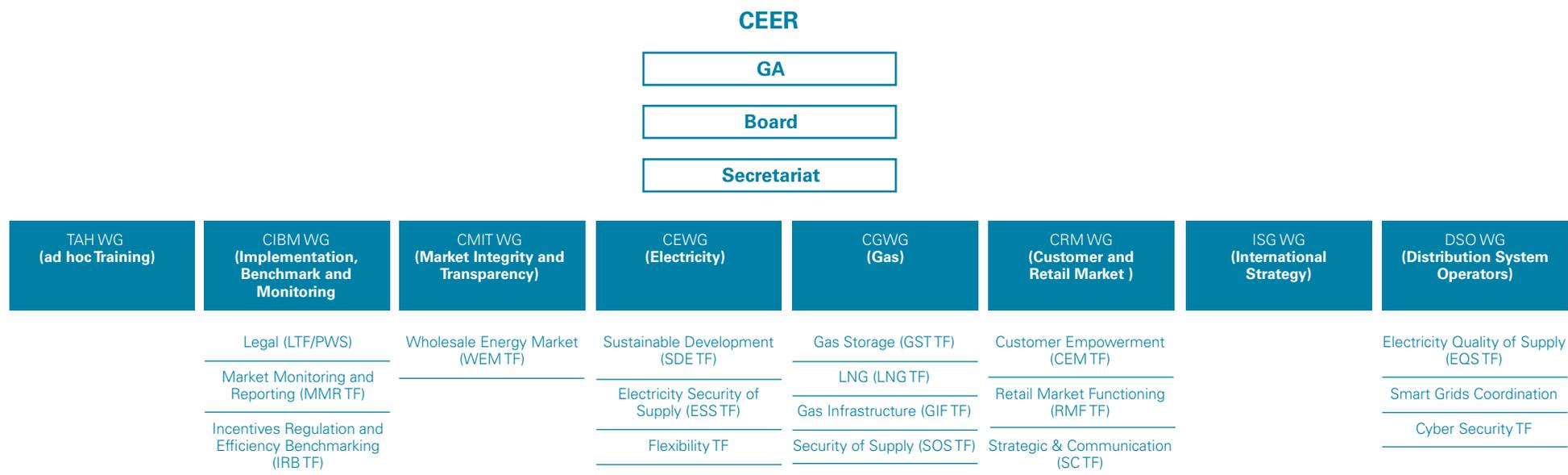
139 <http://www.acer.europa.eu/Media/News/Pages/A-Bridge-to-2025.aspx>.

140 <http://www.acer.europa.eu/Media/Press%20releases/ACER%20PR-02-15.pdf>.

141 [http://www.acer.europa.eu/Official\\_documents/Acts\\_of\\_the\\_Agency/Publication/ACER\\_Market\\_Monitoring\\_Report\\_2014.pdf](http://www.acer.europa.eu/Official_documents/Acts_of_the_Agency/Publication/ACER_Market_Monitoring_Report_2014.pdf)

### 5.8.3. The CREG within CEER

Figure 32: ACER organisational chart as of 31 December 2014 (Source: CREG)



In its role as a founding member of the CEER (Council of European Energy Regulators), formed by a Memorandum of Understanding on 7 March 2000, the CREG took an active part in the discussions, deliberations and decisions of the General Assembly, which met ten times over the course of 2014.

The CREG also actively took part in the working group meetings of the CEER (and of the task forces and work streams set up within these different working groups), namely:

■ *The Electricity Working Group:*

The Electricity Working Group (EWG) focuses on matters related to the European electricity networks, to security of supply and to long-term development.

The EWG is made up of the three task forces:

- The Flexibility Task Force (former Electricity Quality of Supply and Smart Grids Task Force) (EQS TF) focuses on quality issues and on the regulatory aspects of «intelligent networks»
- The Sustainable Development Task Force (SDE TF) is tasked with issues linked to renewable energy and energy efficiency.
- The Electricity Security of Supply Task Force (ESS TF) focuses on the challenges relating to the security of supply from the point of view of the adequacy of production capacities.

In 2014, the EWG focused on the following work areas:

- The quality of supply: a permanent theme for the exchange of good practices and knowledge between regulators since the launch of European cooperation, and which gave rise to the fifth quality comparative analysis report. In 2014, the supply quality comparative analysis activity was followed by the second, «lighter», mid-progress update of the previous full reports, whilst also collecting internal data with the goal of preparing the sixth full comparative analysis report.
- Smart meters: for a number of years now, this issue has been an absolute priority for the electricity sector. It is a cross-cutting issue for infrastructure development, the fight against climate change and system regulation. It deserves ongoing attention from the European energy regulators.
- Long-term development: under the guise of energy efficiency, renewable energy and the exchange of emission quotas, this domain has an effect on electricity markets and networks, and has always been at the centre of the work

carried out by European energy regulators. This also applied in 2014 through the publication of a document on the management of demand following the public consultation in 2013. Additionally, the TF will update its regular study of support systems for the SER in Europe.

- Security of supply: this is linked to some issues to which the CEER is very much attached. The efforts already in place to meet the challenges of security of supply will be continued in 2015, concentrating on the adequacy of production capacities and evaluation strategies.

#### ■ *The Gas Working Group:*

The European Regulators' Gas Working Group (GWG) is in charge of dealing with questions linked to the European gas transmission networks and the European Union's gas market. The CREG acts as vice-president.

The GWG is made up of four task forces: the Gas Storage Task Force (GST TF), the Liquefied Natural Gas Task Force (LNG TF), the Gas Infrastructure Task Force (GIF TF) and the Security of Supply Task Force (SoS TF).

The GWG works closely with the ENTSOG and the GLE, as well as a few other market players, as well as other CEER WGs on different topics.

Their main role in 2014 was providing contributions to ACER. Therefore, in 2014, the LNG TF carried out work on LNG. The GWG published the CEER's progress report concerning the monitoring of access to the EU LNG terminals from 2009 to 2013. In this report, the regulators gave feedback on the evolution of the operation of LNG terminals, taking into account the new role of LNG, in terms of security of supply and new services provided for new LNG uses.

In response to the request of the 24th Madrid Forum in October 2013, the CEER (GST TF) and Gas Storage Europe (GSE) started to draw up a common vision of the future of the

storage market highlighting the need to search for solutions based on the market. During the 25th Madrid Forum in May 2014, the CEER and GSE jointly presented the role of storage on the market, and of storage and of security of supply in the context of the crisis in Ukraine. In June 2014, the CEER and GSE organised a joint workshop on the storage of gas and security of supply in order to present their current prototypes and get some feedback from the market players. In Autumn 2014, it was decided that the CEER and GSE would not develop a shared vision, and the CEER GWG launched its public consultation on the CEER Vision on Regulatory Arrangements for the Gas Storage Market. The public consultation document aims to collect feedback from the market players on the «CEER Vision on Regulatory Arrangements for the Gas Storage Market», of which publication is expected for the beginning of 2015.

Also in 2014, following the crisis in Ukraine, the GWG published its position report on the EC's energy security strategy. This document reflects the point of the view of the CEER on the essential actions proposed in the EU's energy security strategy published on 28 May 2014.

#### ■ *The Market Integrity and Transparency Working Group:*

The Market Integrity and Transparency Working Group (MIT WG) focuses on questions regarding transparency and the surveillance of energy exchanges, as well as the link between the legislation of the wholesale energy market and that of the appropriate financial market. As such, the MIT WG is in charge of tracking all the measures concerning the operation of energy markets and the surveillance of energy exchanges in general. This specifically includes the legislative proposals and the issues linked to energy exchanges, for example the decrease of VAT fraud on the energy markets.

The MIT is made up of one task force. The Wholesale Energy Market Task Force (WEM-TF) deals with all matters linked to the operation of the wholesale energy markets and their surveillance. The guarantee of a required level of transparency

for data relating to the market (transaction and fundamental data) is essential in this context and constitutes one of the main working areas of the task force.

In 2014, the MIT WG focused its attention on implementing acts, on the transaction reporting user manual (TRUM), on the referred reporting mechanisms (RRM) and on the transaction reporting and fundamental data user manuals.

#### ■ *The Implementation, Benchmarking and Monitoring Working Group:*

The Implementation, Benchmarking and Monitoring Working Group (IBN WG) continues the work started by its predecessors, the Implementation, Benchmarking and Policy Working Group (IBP WG) and the Energy Package Working Group (ENP WG) in terms of monitoring the developments of the third European energy package and coordinating the other monitoring and comparison activities.

The CREG chairs.

The IBM WG consists of three task forces:

- The Incentives Regulation and Efficiency Benchmarking Task Force (IRB TF) carries out different comparison activities within the CEER and is based on the exchange of essential information between national regulatory authorities (NRA) with the aim of promoting coherent practices throughout Europe. This TF was previously known as the Efficiency Benchmarking TF but its name was changed at the end of 2013 in order to better reflect its future tasks.
- The Market Monitoring and Reporting Task Force (MMR TF). In 2014, the MMR TF continued to work in close collaboration with ACER and the CEER on the preparation and creation of the joint ACER-CEER annual report on the results of the monitoring of electricity and natural gas internal markets.
- The Legal Task Force (LTF) was reinstated in 2013 as a TF in order to continue to provide advice on the legal and institutional aspects related to the implementation of a third

package (e.g. transmission system operator certification) and specific requests from the NRA. This TF also provides expertise and makes a legal contribution to the IBM WG or to the other WGs on a case-by-case basis (e.g. CEER document confidentiality, re-examination of the CEER statutes).

The CEER's general assembly has decided that this working group would be responsible for the organisation of the training programme content which began in 2014 at the CEER, and during which the representatives of the national regulatory authorities may freely discuss subjects that interest them specifically. The courses are also open, in certain cases (depending on the usefulness for the members of the CEER) to other European regulators (competition authorities, financial regulators...) and to other energy regulators outside of the CEER.

#### ■ *The Customers and Retail Markets Working Group :*

The Customers and Retail Markets WG (CRM WG) is dedicated to giving priority to the interests of consumers by promoting consumer accountability and the operation of the retail market in order to facilitate the development of competition for the benefit of energy customers.

The CRM WG consists of three task forces:

- the Customer Empowerment Task Force (CEM TF) handles issues related to the retail market such as billing, customer complaints, extra judiciary dispute settlement procedure, price comparison tools, the protection of vulnerable energy customers, etc.
- the Retail Market Functioning Task Force (RMFTF) operates on the retail markets where smart metering systems and the design of the electricity and gas markets are concerned. This TF focuses on how to make the energy customer accountable by improving competition between the market players and by increasing choice for the consumer by developing sound market procedures and measuring services.

- The Strategy and Communication Task Force (SCTF) works on the development and implementation of «2020 vision for European energy customers». Amongst other things, the SCTF develops new forms of communication, new hiring procedures and capacity reinforcement.

Via all three task forces, the working group has given its attention to numerous points over the course of the year 2014, notably including the involvement and the commitment of the consumer representatives in the regulatory process, green electricity, distribution service quality and data management to ensure the retail market works better.

#### ■ *The International Strategy Group :*

The International Strategy Group (ISG) is responsible for establishing and maintaining relationships with its counterparts in third-party countries in the energy regulation domain. The main objective is to create an international network based on the exchange of good regulatory practices throughout the world and provide specific regulatory advice on request.

In 2014, the ISG organised important high-level national meetings with regulators in the United States and Russia. As an official partner of the European Commission, the ISG also maintains well-established dialogue with the regulatory authorities in the countries of the EU's Eastern Partnership Initiative (Azerbaijan, Armenia, Georgia, Ukraine, Moldova and Belarus). At the same time, the ISG is also committed to forging closer relations with the International Energy Agency and other regulatory associations throughout the world.

In addition to these activities, the CREG has also participated, either directly or indirectly, via the intermediary of the CEER depending on the case, in the meetings of different working groups set up by the European Commission, respectively to discuss vulnerable customers, price transparency, e-billing, consumer complaints and smart grids.

Moreover, as part of the pursuit of the harmonisation and integration of the European electricity and gas markets, the CREG has also actively taken part in the creation and completion of questionnaires sent out by the CEER. In 2014, the subjects surveyed were, among others, as follows: NRA VAT status, REMIT implementation on national level, Status review on monitoring access to EU LNG terminals, Changing technologies 2014, RES support schemes 2014, CEER benchmarking report 5.2 on continuity of electricity supply poll for resources for the 2015 Working Program, Transparency template and guidelines of good practice for storage system operators monitoring and the update of the status of transition of the 3rd energy package in Belgium, the adaptations to the status of transposition of the 3rd energy package update and the figures for the National report 2014 for gas and electricity indicators. All these questionnaires are used as the basis to write summaries, status reviews, position papers and other documents from the CEER, ACER or the European Commission who not only provide a detailed description of the differences and the similarities between the member states, but also the degree of integration of the European regulations within each member state. The European Commission, for its part, uses these documents as the basis for the creation of legal initiatives.

#### 5.8.4. Madrid Forum

The European Gas Regulatory Forum, also known as the Madrid Forum, serves as a platform for consultation on the development of the internal natural gas market in Europe. The member states, the European regulators and all other market stakeholders in Europe take part, under the presidency of the European Commission. The 25th and 26th meetings of the Forum were held respectively on 6 and 7 May and 15 and 16 October 2014<sup>142</sup>.

A recurrent theme of this Forum is the presentation of progress made in preparing the Framework Guidelines, to be produced by ACER (see also paragraph 5.8.2 of this report), and the network codes, to be produced by ENTSO-G. Both organisations use the Forum as an opportunity to explain the progress achieved in this area. The process put in place meanwhile gave rise to the publication, on 15 October 2013, of the first network code on capacity allocation mechanisms in gas transmission systems<sup>143</sup>.

A new network code on the interoperability and data interchange on the natural gas transmission network has already been developed in 2014, but its publication is not expected until the first quarter of 2015. Furthermore, ENTSO-G has provided, as agreed, before 31 December 2014, the network code on the harmonisation of the transmission tariff structure<sup>144</sup>. At the same time, a proposal to adapt the network code already published and the capacity allocation mechanisms for the gas transmission networks has been sent to ACER. This adaptation concerns the addition of a provision in view of allocating new capacities incrementally in the long-term. ACER will be able to start the analysis of these two final documents in 2015.

The technical basis for the creation of a single European natural gas market was put forward in 2014. The Madrid Forum intends to follow its implementation and discuss the latest evolutions based on the monitoring reports written by the ACER and ENTSO – G. The European Commission has, nevertheless, questioned the Forum regarding the content of its strategy documents published in 2014. In this context, the discussion relating to the security of supply has been dealt with as a priority in both meetings, notably due to the second crisis in Ukraine. The publication of the stress test<sup>145</sup> results and the option of any possible improvements to be made to the current Regulation no. 994/2010 of 20 October 2010 concerning measures aiming to guarantee the security of the natural gas supply are a direct consequence of this.

Issues discussed at the Forum in 2014 clearly demonstrated that the continued use of the natural gas market in Europe requires significant monitoring. The discussion of new concepts such as the «Energy Union», the pursuit of accompanying support measures for the necessary investment policy (projects of common interest) and the updating of a new Gas Target Model are a part of this. The active parties will remain involved via the Madrid Forum in order to meet the new requirements for the convergence of the European market.

#### 5.8.5. Florence Forum

The European Electricity Regulatory Forum, also known as the Florence Forum, is a platform for consultation on the development of the internal electricity market whose participants include the European Commission, the member states and the European regulators (including the CREG). The 26th and 27th Forum meetings were held respectively on 20 and 21 May and 27 and 28 November 2014<sup>146</sup>.

The following items were discussed at both meetings: the internal electricity market, notably including work relating to the regulations summarised in the third European energy package and the regulations relating to capacity allocation and congestion management, advance implementation projects for the European target model, notably including day-ahead market coupling, the within-day mechanism, adjustment projects, long-term auction rules and finally, general design issues for the electricity market, including the importance of flexibility and the role which demand can play in this domain.

With regards to the regulation relating to capacity allocation and congestion management (CACM Guideline), the Forum has, during its latest meeting, favourably welcomed the efforts made to find acceptable solutions to the controversial issues remaining and has encouraged the member states and the European Commission to reach a favourable opinion of the CACM Commission before the end of the year 2014.

During its last meeting, the Forum took note of the implementation report of the coupling of markets based on the European Centre West regional flow (which combines Germany, the Benelux and France) and has encouraged its implementation in early spring 2015.

The Forum congratulated those working on the day-ahead market coupling project for the geographical expansion of this mechanism to the south and to the east and, in particular, for the coupling of Romania to project «4MMC».

142 The conclusions of the Forum and all related documents are available on the European Commission Website: [http://ec.europa.eu/energy/gas\\_electricity/gas/forum\\_gas\\_madrid\\_en.htm](http://ec.europa.eu/energy/gas_electricity/gas/forum_gas_madrid_en.htm).

143 (EU) Regulation no. 312/2014 of the Commission of 26 March 2014 relating to the establishment of a network code for the balancing of the gas transmission network (OJEU of 27 March 2014).

144 ENTSO-G press release of 26 December 2014: [http://www.entsog.eu/public/uploads/files/publications/Tariffs/2014/PRO78-14\\_141226\\_ENTSOG%20submits%20INC%20and%20TAR%20NC%20to%20ACER.pdf](http://www.entsog.eu/public/uploads/files/publications/Tariffs/2014/PRO78-14_141226_ENTSOG%20submits%20INC%20and%20TAR%20NC%20to%20ACER.pdf)

145 [http://ec.europa.eu/energy/stress\\_tests\\_en.htm](http://ec.europa.eu/energy/stress_tests_en.htm)

146 The conclusions of the Forum and all related documents are available on the European Commission Website: [http://ec.europa.eu/energy/gas\\_electricity/forum\\_electricity\\_florence\\_en.htm](http://ec.europa.eu/energy/gas_electricity/forum_electricity_florence_en.htm).

With regards to the intraday coupling mechanism for the north-west European region, the Forum is slightly disappointed with the progress made on this project. The Forum has urged the parties involved in the project to resolve the remaining problems, notably including the issue of the non-discriminatory and equal performance and treatment of the mechanism's participants. The Forum has also urged the parties involved in the project to sign the contract by the end of February 2015 at the latest. If this is not the case, the Forum requests that the European Commission put in place a structure in which alternative solutions may be discussed and developed.

The Forum reminds us of the importance and the significant benefits related to the implementation of an integrated adjustment mechanism. In particular, with regard to the Regulation project relating to adjustment, the Forum has invited ACER and ENTSO-E to undertake work on the creation of a more ambitious text with a clear deadline for its implementation.

The long-term evolution of the European electricity market design has been debated during the two Forum meetings, which favourably welcomed the vision put forward by ACER in its document entitled «Bridge to 2025».

The Forum has also, over the course of the two meetings, indicated the importance of flexibility in the electricity market in the real-time approach and the role of demand in this domain.

#### 5.8.6. The CREG and the Regional Regulators

Consultations between the CREG and the three regional regulators (BRUGEL, CWaPE, VREG), the FORBEG, continued in 2014. Six plenary sessions were organised. CWaPE was chair for the first six months; CREG for the second.

The CREG has, moreover, once again chaired the working groups on «gas», «the exchange of information» and «Europe».

The «gas» working group met seven times in 2014 and held discussions primarily relating to the following topics: the conclusion of a connection contract that governs the modalities between Fluxys Belgium and the distribution system operators; the examination of the leak detection reports by the Quality and Security general management of the SPF Economie; the updating of investment plans of the Fluxys Belgium, Eandis, Ores, Infrax, Resa and Sibel gas system operators; the highlighting of the amendment of the Royal decree for the receipt of gas federal contributions and the proposal by royal decree relating to the granting of supply permits; the review of the regulation relating to the last resort supplier for natural gas, both federal and regional; the exchange of information relating to bio-methane reduction projects and their means of connection to the distribution transmission network; the discussion of the L/H conversion project and the investments relating to it made by the system operator; the explanation of the various transmission cases in progress, such as the new market model relating to the Interconnector with the United Kingdom, the Belgium-Luxembourg market integration project and the monitoring of network codes and European guidelines.

The «exchange of information» working group met three times in 2014. Their aim is primarily to improve the process leading to the shared annual publication of the four regulators about the evolution of the Belgian energy market, and more specifically, the creation of the text part of the press release. However, the aim of this publication remains unchanged: with the help of a statistical overview of the electricity and natural gas market, it follows the evolution of these markets and of competition in Belgium. Another objective was to optimise the preparation of the Monitoring Report by ACER. Notably, in order to avoid duplicating work for the creation of the indicator files, a proposal to define the responsibilities of the parties concerned has been adopted and will be implemented for the transmission of data in 2014.

The «Europe» working group was set up at the beginning of 2014 and has already met four times. This working group implements the legal obligation for cooperation on European cases and monitors the efficient and optimal distribution of the European discussion points between the different levels. A formal framework has therefore been developed in order to allow the CREG to perform its tasks as national regulator and to ensure Belgian representation within the CEER and ACER. The first accomplishment was in making a Belgian contribution to the «Retail Market Consultation» organised by the European Commission. This consultation was completed on 17 April 2014. Additionally, European developments have been closely monitored. In particular, they addressed the emphasis placed on the guidelines in terms of government aid on the electricity market, the 2030 framework for energy and climate, the publication relating to energy costs and subsidies in the European Union, the Madrid and Florence forums and the CEER and ACER work programmes relating to distribution system operators and the retail market.

Other topics have, moreover, been discussed in the other FORBEG working groups. This was about, in particular: the federal contribution system, the operation of the gas budget meters, the permit system for forward supply, the respect for private life within the context of smart meters, the collection of necessary data for the creation of national reports, the influence of alternate routes for decentralised production in the district distribution systems in terms of the problem with frequency, the Balancing network code for the electricity sector, compensation for decentralised production in the event of congestion problems, the adaptation procedure for contracts regulated by Elia, the determination of a position concerning the overproduction of solar energy, the monitoring of the R3 Dynamic Profile, the smart network indicators, the adaptation of the ARP contract for the strategic reserve, the creation of a guarantee of origin mechanism for the production of renewable energy by offshore wind farms and

the CREG's application for an affiliation with the the AIB, the green reporting procedure for Atrias and the fuelmix 2014.

Finally, following the transfer of tariff setting responsibilities to the regions, a new working group has been set up, namely the «tariffs» working group. In this context, the CREG has, in 2014, continued the cooperation it began in 2012 with the regional regulators. Similarly, the continued evaluation of the last resort supplier regulation policy in the regions has led to the creation of a new working group in order to develop this matter further.

### 5.8.7. The CREG and the Competition Authorities

#### ■ *The CREG's general collaboration with the (new) Belgian Competition Authority*

Following on from the initial informal first contact between the CREG and the new Belgian Competition Authority (ABC) (see annual report 2013, pages 97-98) at the end of 2013, in view of promoting an optimal collaboration between the two authorities, in 2014, they also set to work reinforcing and officialising their cooperation.

In application of article 43, paragraph 2, of book IV «Competition Protection» of the Economic Rights Code, the collaboration between the CREG and the ABC will be made official in the form of a royal decree. Amongst other things, the discussion between the two authorities will include, notably, the exchange of confidential information and collaboration procedures.

According to the law of 8 May 2014, by which a certain number of provisions from the European REMIT Regulation (see points 2.5 and 3.2.2.4 of this report) have been inserted into the Belgian gas and electricity acts, some special provisions have now also been added to these acts with regards to the obligations of collaboration and exchange between the CREG and the ABC that are connected to the application of the REMIT Regulation.

Over the course of the year 2014, the two authorities have worked in close collaboration on the drafting of a proposal in writing for this royal decree governing the cooperation between the CREG and the ABC; the objective being to have adopted a royal decree at the start of the year 2015.

#### ■ *Decision of the Belgian Competition Authority relating to the abusive practices carried out by Electrabel on the Belgian electricity generation, wholesale and trade market – CREG study 860*

In July 2014, a decision was made in this large case by the Belgian Competition Authority's Competition Body, following practices reported earlier by the CREG to the competition authorities as part of its study 860 relating to behaviour on the electricity wholesale market in Belgium during the year 2007 and the first half of 2008.

In 2009, the CREG had already completed a study, on its own initiative, in which it examined the abnormal price peaks<sup>147</sup> that occurred on the Belgian Belpex electricity exchange during the year 2007 and the first half of 2008. In this study, sent to the competition authorities, the CREG had noticed,

based on the available data provided, that Electrabel had regularly not used one part of its production capacity, when it had already processed purchase orders at that same time on the Belpex DAM at very high prices (with the important observation that these very high prices were far superior to the marginal costs of the generation capacity available from Electrabel and, therefore, Electrabel was systematically not using large volumes of its generation capacity). This contributed to abnormal and inexplicable price peaks on the market that have damaged confidence in the electricity markets of Belgian and neighbouring countries, which, in the long run, leads to a reduction in flexibility and competition on these markets. This has also contributed to a general increase in prices on the Belpex DAM<sup>148</sup>.

In the long and complex examination that has been carried out by the competition authorities in this case<sup>149</sup>, the CREG has provided its full cooperation, amongst others, by making its experts available and in the provision of numerous data and analyses.

The motivated report submitted by the Auditorat regarding this affair alleged the existence of the abuse of a position of power by Electrabel (GDF Suez); the abusive practices noted by the Auditorat with regards to Electrabel<sup>150</sup> concerned, on the one hand, the withdrawal of generation capacities<sup>151</sup> by Electrabel from the Belgian electricity generation, wholesale and trade market in 2007 to 2010 and, on the other hand, the fictitious sale<sup>152</sup>, as well as the duplicated use, of the tertiary reserves on the Belgian market for the supply of tertiary reserve services from 2006 to 2007.

147 A price increase of up to 2,500 euros/MWh has been observed at certain times, whilst average prices are normally around 50 euros/MWh.

148 In addition to having sent this study to the competition authorities, the CREG had already itself suggested a series of measures in view of the improvement of the operation and monitoring of the electricity market.

149 Without forgetting the pre-requisites for the various companies active in electricity wholesale in Belgium..

150 Only one part of the practices raised by the CREG in its study 860 has been considered to be abusive in the report by the Auditorat. This is because the Auditorat noticed, amongst other things, that some of the essential data provided by Electrabel, and based on which the CREG made its analysis, was not correct. However, the Auditorat report went beyond 2008 (the last month analysed by the study 860) in the analysis of the practices.

151 The Auditorat mentioned in its press release of the 7 February 2013, that «it believes that the withdrawal practices have led to damages of 33 to 49 million euros for consumers/customers from 2007 to 2010».

152 With regards to the fictitious sales practices and the duplicate use of the tertiary reserve, the Auditorat has estimated the potential damage at 7 million euros for consumers/customers during the period from 2006 to 2007.

Following an access request to the procedure file (Auditor's report) sent by the CREG, the latter received, at the end of January 2014, a copy of the non-confidential version of the draft decision submitted by the Auditor from the President of the Competition Body, with an invitation to add its observations on this matter. By letter dated 21 February 2014, the CREG sent its written observations on the subject to the president.

In accordance with its request to be heard on this matter, the CREG was summoned to a hearing at the Competition Body on 20 May 2014, during which it responded to the Competition Body's questions and briefly highlighted some important points from its own examination.

In its decision of 18 July 2014<sup>153</sup>, the Competition Body estimated that Electrabel infringed, in the years 2007 to 2009 and in the first quarter of 2010, the ban on the abuse of power as set out in articles 3 of the law on the protection of economic competition and 102 of the treaty on the European Union's operation on the electricity generation, wholesale and trade market, by creating and applying a price scale with an excessive margin of 60 euros/MWh, for the sale of a set volume from the reserve listed on the Belpex DAM exchange.

In this context, the Competition Body issued Electrabel with a fine of 2 million euros, in application of article IV 70, paragraph 1 of the Economic Rights Code and the guidelines for the calculation of fines dated 19 December 2011 (which has since been revised<sup>154</sup>), as the turnover directly affected is believed to be less than 5 million euros.

As a result of this case, the CREG is examining, in collaboration with the market players, an opportunity to develop offer guidelines as well as what should be included therein and the structure, if applicable. If the CREG thought it was useful to adopt and publish the offer guidelines, the market would be officially consulted on this matter.

■ *Decision of the Belgian Competition Authority relating to the takeover by Tecteo Services Group of the Editions de l'Avenir and L'Avenir Advertising companies*

In January 2014, the CREG received a formal request for information from the Belgian Competition Authority concerning merger ABC-2014-C/C-03. This case concerns the takeover of companies Editions de l'Avenir and L'Avenir Advertising SA by the Tecteo Services Group SA.

The CREG provided the information requested (concerning the distribution activities and the related distribution network tariffs) to the Competition Authority electronically and by post on 4 and 10 February 2014 respectively.

The Belgian Competition Authority's Competition Body approved, by decision of 26 March 2014, this takeover by the Tecteo Services Group SA on condition that certain commitments are respected.

■ *CREG study on the relationship between costs and prices on the Belgian natural gas market in 2013.*

Within the framework of its task to permanently monitor the gas market, the CREG wrote, on 4 December 2014, a (confidential) report relating to the relationship between costs and prices on the Belgian natural gas market in 2013 (see point 4.2.1.1 of this report). On 4 December 2014, the CREG sent this report to the Belgian Competition Authority and to the ministry, in application of article 15/14ter, paragraph 3 of the gas act.

■ *Report relating to cross-border electricity capacity auction*

Within the framework of article 23 onwards of the electricity act, the CREG also sent, by letter, on 3 April 2014, a (confidential) report concerning interconnection capacity auctions to the Belgian Competition Authority and to the Energy Secretary of State.

## 5.9. The Finances of the CREG

### 5.9.1. Federal Contribution

The federal contribution is a surcharge levied on the quantity of electricity and natural gas used in Belgium<sup>155</sup>. This contribution is used to supply the various funds run by the CREG (see point 5.9.2 of this report).

<sup>153</sup> Decision no. ABC-2014-I/O-15 of 18 July 2014 in application of article IV.48, 1 CDE in the case CONC-I/O-09-0015 Electricity wholesale market.

<sup>154</sup> On 26 August 2014, the Belgian Competition Authority's Board of Directors adopted new guidelines for the calculation of fines (which came into effect on 1 November 2014). In practice, the main change in these new guidelines is a heavier penalty for companies who have been found guilty of long-term infractions.

<sup>155</sup> International institutions, which include European institutions as well as diplomatic assignments, consular posts, international organisations and armed forces located in Belgium, are fully exempt.

In December 2014, in accordance with regulation<sup>156</sup>, the CREG calculated and published the unit surcharges of the various components of the federal electricity and gas contribution to be applied from 1 January to 31 December 2015.

#### A Federal Contribution «Natural Gas»

The federal natural gas contribution payment methods have been reviewed in depth in 2014 (for more on this matter, read point 2.6 of this annual report)<sup>157</sup>. From now on, they will be based on the cascade system which is already applied to federal electricity contributions.

As of 1 April 2014, the natural gas transmission system operator (Fluxys Belgium) and the operators with a direct connection<sup>158</sup> are responsible for paying, on a quarterly basis, the federal contribution that they have previously billed to their customers to the CREG. In 2014, these companies also made direct payments into the CREG's funds as well as social energy and protected customer funds; it is therefore no longer the responsibility of the CREG to directly bill natural gas supply permit holders active on the Fluxys Belgium transmission network<sup>159</sup>.

From 1 July 2014, professional customers benefit, as with electricity, from a degressivity accompanied by the capping of the federal contribution billed on quantities of natural gas taken from the network.

Also from 1 July 2014, in view of ensuring the competitiveness of the electric power stations producing natural

gas-based electricity, the federal contribution due on the natural gas consumed to this effect is fully waived. This exemption also includes quality co-generation facilities, in proportion with the quantity of electricity generated by these facilities and re-injected into the network.

Please also note that from 1 April 2014, the federal natural gas contribution is no longer subject to VAT<sup>160</sup>.

Due to these changes to the regime made over the course of the year, the CREG has recalculated and published the unit surcharges for the federal natural gas contribution in order to guarantee, insofar as possible, the feeding of the various funds it manages. The new values were published at the end of July 2014 and were applicable from 1 September to 31 December 2014.

#### ■ Feeding the funds

The expected amounts of the federal contribution are generally made up of the basic amount for each fund for the current year as well as any possible supplements destined to compensate for the previous years' deficit and cover the various exemptions.

Globally, the federal natural gas contribution revenue received in 2014 was less than the expected amounts due to the aforementioned change in the offtake system during the year and, in particular, the substantial reduction in the quantity of natural gas on which the federal contribution can still be charged.

#### ■ Exemptions and Degressivities

With the new cascade contribution system, the natural gas companies are, in principle, billed at the top of the cascade for the entire federal contribution whilst they are unable to recover the total amount from their end customers as a result of the granting of a reduction (degressivity) or even an exemption. It is now the case that, each quarter, these companies may apply to the CREG for the reimbursement of these measures aimed at helping final customers.

During the year 2014, the CREG has therefore reimbursed natural gas companies a total of 1,911,275 euros corresponding to exemption from the federal contribution made on natural gas destined for the generation of electricity injected into the network. The CREG has also reimbursed natural gas companies 90,695 euros of federal contributions that they were not able to bill to international institutions. These reimbursements were made with the help of the available resources in the various funds.

The same natural gas companies have also made degressivity reimbursement applications totalling 1,096,531 euros. As the CREG has not received the resources it requested in order to reimburse these companies from SPF Finances, they were unable to honour these applications.

<sup>156</sup> Notably the royal decree of 19 December 2014 modifying the royal decree of 24 March 2003 setting the federal contributions destined for the financing of certain public service obligations and costs related to the regulation and control of the electricity market and the royal decree of 2 April 2014 setting the federal contribution methods destined for the financing of certain public service obligations and costs related to the regulation and control of the natural gas market (Official Journal of 30 December 2014) which, for the year 2015, once again sets the amount destined for the greenhouse gas funds to 0 euros and prolongs the freeze on the amount destined for financing the actual costs resulting from the application of maximum pricing for the supply of electricity and natural gas to protected household customers (Official Journal of 30 December 2014).

<sup>157</sup> In this context, the CREG has issued opinion (A)140311-CDC-1316 relating to the royal decree establishing the federal contribution methods destined for the financing of certain public service obligations and costs related to the regulation and control of the natural gas market.

<sup>158</sup> On 31 December 2014, the Wingas company was the only one with a direct connection in Belgium.

<sup>159</sup> See annual report 2013, point 5.8.1.A., page 99.

<sup>160</sup> Law of 15 May 2014 concerning the execution of a competitiveness, commitment and relaunch pact (Official Journal of 22 May 2014) applied mutatis mutandis to natural gas.

### ■ Annual Regularisation

Until 1 April 2014, the date of the change of contribution payment method, a comparison between what the CREG has called for and what the suppliers were actually able to bill to their customers the previous year, has led to regularisations. Therefore, in 2014, the regularisations for the year 2013 totalled +1,576,248 euros for the CREG fund, -3,822,115 euros for the social energy fund, -6,336,513 euros for the protected customers fund and -40,983 euros heating grant fund. These significant regularisations in favour of natural gas companies result from the small quantity of natural gas actually consumed in 2013 compared to the quantity of natural gas used for the calculation of the 2013 unit surcharges. This has generated large deficits to be filled for the social energy and protected customers funds.

### ■ Irrecoverables

The annual regularisation mechanism for the legal tariff destined to cover the natural gas companies against their irrecoverables was also introduced in 2014 by the aforementioned royal decree of 2 April 2014. However, the first regularisations will not be made until 2015.

## B. Federal Contribution «Electricity»

The electricity transmission system operator, Elia System Operator, pays the contribution it billed to its customers the previous quarter to the CREG on a quarterly basis. In 2014, Elia also directly feeds the CREG fund, the social energy fund, the denuclearisation fund, and the protected customers fund.

As with gas, the federal electricity contribution is no longer subject to VAT as of 1 April 2014.

### ■ Feeding the funds

As for previous years, the expected amounts of the federal contribution for the year 2014 are generally made up of the basic amount for each fund for the current year as well as any possible supplements destined to cover the aforementioned exemptions from which the international institutions benefit.

Globally, the federal electricity contribution revenue received in 2014 was less than the expected amounts due to the continued reduction of the quantity of energy on which the federal contribution must be paid.

Due to the removal of the heating grant fund and the emptying of the greenhouse gas fund (see point 5.9.2.D below), the funds were no longer being fed on a regular basis in 2014. Only regularisations on past energy quantities have been implemented.

### ■ Exemptions and Degressivities

With the cascade contribution system, the electricity companies are, in principle, billed at the top of the cascade for the entire federal contribution whilst they are unable to pass on the total amount to their end customers. They must deduct from it, if applicable, the exemptions and degressivities. It is now the case that, each quarter, these companies may apply for the reimbursement of these measures from which the final customers benefit to the CREG.

In 2014, the CREG therefore reimbursed 279,247 euros and 768,325 euros corresponding respectively to the latest exemptions from the greenhouse gas and denuclearisation contributions. The CREG has also reimbursed electricity companies 914,509 euros of federal contributions that they were not able to bill to international institutions. These reimbursements were made with the help of the available resources in the various funds.

During the same year, SPF Finances made an advance of 40,000,000 euros available to the CREG in order to cover the degressivities reimbursed to suppliers. As the announced degressivity for the whole year 2014 totals 32,835,333 euros, an amount of 7,164,667 euros will have to be reimbursed to SPF Finances in 2015.

### ■ Irrecoverables

In 2014, the legal tariff regularisation designed to cover electricity companies for the irrecoverables generated a net deficit of 82,282 euros which was covered by the various funds.

## C. The Offshore Surcharge

This surcharge levied by electricity companies is intended to offset the costs borne by the transmission system operator resulting from its obligation to purchase the green power certificates granted for electricity generation in the North Sea. The CREG is responsible for reimbursing the transmission system operator and the electricity companies who granted their customers a degressivity on this surcharge.

Applications made in 2013 by the electricity companies, totalling 6,725,123 euros, were able to be reimbursed in 2014. The CREG also received 69,000,000 euros in advance from SPF Finances in order to reimburse companies who had customers applied for reimbursements in 2014.

As the announced degressivity for the whole year 2014 totals 70,731,489 euros, an amount of 1,731,489 euros will additionally have to be reimbursed to SPF Finances in 2015.

## 5.9.2. The Funds

### A. The CREG Fund

Coverage of part of the total running costs of the CREG was set by the Chamber of Representatives during a plenary session on 30 January 2014, at 14,952,254 euros for the year

2014. This amount is, however, supplemented by 325,575 euros and 69,703 euros in view of topping up the reserve and for the reimbursement of international institutions.

A decision by Belgium's Council of Ministers on 12 March 2012 froze the CREG's budgets for 2012, 2013 and 2014 at the level of the budget for 2011. As occurred the previous year, the Chamber of Representatives, responsible for approving the CREG's budget, followed this principle when adopting the 2014 budget.

The CREG accounts for 2014 are set out in detail in point 5.9.3 hereafter.

### B. Social Energy Fund

For 2014, a total of 52,890,292 euros was provided to help the public centres for social well-being with their task of providing guidance and financial social support in the field of energy. This sum was made up of €30,750,170 from the electricity sector and €22,140,122 from the natural gas sector<sup>161</sup>. However, these amounts were supplemented by 3,394,290 euros and 651,410 euros respectively to offset the shortfalls of the past and repay the international institutions. A total income of €29,076,281 available for these centres was ultimately earmarked for electricity in 2014. For natural gas, total net income was 17,461,369 euros, from which the adjustments mentioned in paragraph 5.9.1.A above need to be deducted however. In addition to the payment to C.P.A.S in the fourth quarter of 2013 (13,610,568 euros), the sum received in 2014 only permitted the total payment of the first three quarters requested by SPP Intégration sociale (39,667,719 euros). Furthermore, these payments could only be made by making partial quarterly payments, settled the following quarter. Finally, the money intended for the payment of the fourth quarter of 2014, due in January 2015, was used in

its entirety at the end of 2014 to pay the C.P.A.S 98.3% of the amount that was due to them for the third quarter of 2014.

As of 31 December 2014, the fund assets totalled 119,736 euros, which was not enough for the CREG to pay the fourth quarter of 2014 to the C.P.A.S. at the end of January 2015.

### C. Denuclearisation Fund

This fund, which is supplied exclusively by the federal contribution charged by the electricity sector, should have stood at 69,000,000 euros<sup>162</sup> for 2014, plus 661,708 euros to offset shortfalls from the past and repay the international institutions. A net total product of 68,445,166 euros was recorded for the fund in 2014.

The CREG was, however, able to pay the whole 69,000,000 euros due to the ONDRAF for the year 2014.

As of 31 December 2014, the fund assets totalled 7,845,960 euros.

### D. Greenhouse Gases Fund

This fund, supplied exclusively by the federal contribution billed by the electricity sector, totals, for the year 2014, 0 euro<sup>163</sup>.

The annual flat-rate amount of 3,600,000 euros related to the year 2014 was paid into SPF Environment's organic budget fund for the financing of the federal policy on the reduction of greenhouse gas emissions.

In addition to the reimbursements made for the exemption of the international institutions and past regularisations (329,613 euros), the greenhouse gas fund also pre-finances

each year the 14,490,000 euros corresponding to the VAT due on the annual amount owed to the ONDRAF. The VAT authorities refunded the CREG for the amount of these quarterly advances.

As of 31 December 2014, the fund assets totalled 58.579.700 euros.

### ■ The Kyoto JI/CDM Fund

The Kyoto Joint Implementation/Clean Development Mechanism (Kyoto/CDM) fund, which is also managed by the CREG is used by the SPF Environment to purchase the CO2 emissions credits so that Belgium can meet its targets under the Kyoto Protocol.

The Kyoto JI/CDM fund collects the amounts from the greenhouse gas fund. During the year 2014, however, no amount was transferred from the greenhouse gas fund to the Kyoto JI/CDM fund while SPF Environnement contacted the latter in view of collecting the CO2 emission credits at a rate of 2,862,073 euros.

As of 31 December 2014, the Kyoto JI/CDM fund assets totalled 16.783.825 euros.

### E. The Protected Electricity Customers and Protected Natural Gas Customers Funds

Initially, for the year 2014, the needs of these funds totalled 60,900,000 euros for electricity and 46,200,000 euros for natural gas, to which were added respectively 432,842 euros and 178,464 euros to reimburse the international institutions.

161 For the years 2012, 2013 and 2014, the annual amounts were held at the same level as those on 1st January 2012 (see annual report 2012, page 92).

162 Royal decree of the 26th January 2014 setting the amounts required for the financing of BP one and BP two nuclear liabilities for the period 2014-2018, in implementation of article 3 paragraph 2 of the royal decree of the 24th March 2013 setting the federal contribution modalities for the financing of certain public service obligations and costs associated with the regulation and control of the electricity market (Official Journal of the 3rd February 2014).

163 See annual report 2013, point 5.8.2.D., page 101.

Therefore, in total, in 2014, 55,812,115 euros were reported for the electricity fund and 46,497,904 euros, from which, however, the regularisations mentioned in point 5.9.1.A. above must be deducted, have been recorded for the natural gas fund.

In 2014, the reimbursements for the sector's companies who supplied the protected household customers at the social tariff in 2013 amounted to 64,687,628 euros for electricity and 62,028,419 euros for natural gas.

As of 31 December 2014, the assets of the two funds totalled 18,784,284 euros for electricity and 19,608,552 euros for natural gas.

#### F. Fund for Flat-rate Reductions for Heating using Natural Gas and Electricity

This fund was abolished from the Electricity Act but is still mentioned in royal decree of 24 March 2003 «federal electricity contribution». No amount was however drawn in 2014. Only adjustments for gas and relating to past energy amounts were recorded.

As of 31 December 2014, the total amount of the heating grant fund was 24,417,885 euros split between 16.812.280 euros for electricity and 7.605.605 euros for natural gas. As long as no legal allocation of the balance of the funds is defined, the CREG will continue to manage it, in particular as regards past adjustments.

#### G. Fund to Offset the Loss of Revenue Suffered by the Municipalities

This fund, entirely dormant for several years, was also removed from the Electricity Act. As of 31 December 2013, the sum of 578,691 euros corresponding to the interest collected since 2005 remained in the accounts of the CREG.

As long as no legal allocation of the balance of the fund is available, it cannot be closed.

#### 5.9.3. 2014 Accounts

Since 1 January 2013, the CREG has organised its bookkeeping in accordance with the principles laid down in the law of 22 May 2003 on the organisation of the budget and accounts of the federal State, and following the accounting schedule set out by the royal decree of 10 November 2009 setting the accounting schedule applicable to the federal State, communities, regions and the common community commission, although a postponement means that this law will not come into effect until 1 January 2016<sup>164</sup>, the CREG has continued to use this method of accounting.

Both the low level of electricity consumed in 2014 and the exemption from the federal contribution granted to international institutions resulted in income from the federal contribution for electricity being inadequate to cover the CREG's costs relating to the electricity industry. The total income ultimately amounted to only 85.3% of the expected figure.

In gas, however, the CREG was able to benefit from revenue paid by Fluxys Belgium and Wingas. Furthermore, it has benefited from the 1,576,248 euros originating from the 2013 regularisation made in the gas sector in 2014 and the profit made in 2013 in the gas sector (1,163,697 euros) has been retained to ensure the CREG fund can be supplied.

The total charges of the CREG for the 2014 financial year amounted to €13,950,872, which corresponds to 93.3% of the budget initially planned (14,952,254 euros, without bringing the reserve up to the required level). Both staff costs and other operating expenses remained within the limits set by the budget. As of 31 December 2013, the balance sheet total was 161.188.748 euros.

As regards external experts, and due to the conciliation policy taken out by the CREG in 2014, the 74.7% reduction of the legal assistance cost required to defend the CREG's interests against legal action taken against them has lowered the total charges in this section.

For its part, various and extraordinary incomes compensate for a small part of the expenditure borne by the CREG and notably includes the structural reductions of the ONSS contributions from which the CREG benefits, as well as the re-billing of the remuneration of a CREG employee on assignment during the year 2014.

The CREG income and charges are split between the two energy sectors. For the financial year 2014, the surplus of the revenue received by the CREG compared to its charges totalled 734,814 euros. This amount is divided between a deficit of 215,781 euros associated with the electricity sector and a surplus of 950,595 euros associated with the natural gas sector.

Whilst the electricity deficit has once again been mitigated by a withdrawal from the electricity reserve, the gas surplus will ultimately be returned to the gas companies and the customers through a reduction in the unit surcharge of the CREG fund during the next calculation of the federal natural gas contribution. The amount of the revenue of the federal contribution collected in the first quarter of 2014 by the natural gas suppliers and of which the regularisation will take place in 2015, was however not yet known as of 31 December 2014.

In accordance with the electricity act, the Court of Auditors carried out an audit of the CREG's accounts for the financial year 2013.

The assessment rules are available on the CREG's website.

Table 24: Income statement as of 31 December 2014 (euros) (Source: CREG)

	2014	2013
<b>Personnel costs</b>	<b>11,014,663</b>	<b>11,220,780</b>
Salaries and charges	10,359,765	11,557,101
Variation provisions for indemnities for outgoing members of the Board of Directors	132,468	-636,525
Variation provisions for holiday bonuses	144,747	-62,163
Temporary staff	18,345	32,717
Recruitment costs	29,343	0
Training, seminars	52,736	59,389
Leasing, company cars	277,258	270,262
<b>Bodies</b>	<b>44,814</b>	<b>69,140</b>
Indemnities, Gas and Electricity Advisory Board (attendance fees and various expenses)	44,814	69,140
<b>“Personnel costs” sub-total</b>	<b>11,059,477</b>	<b>11,289,920</b>
<b>External experts</b>	<b>613,445</b>	<b>629,358</b>
External studies	185,480	143,037
Communication service	113,634	47,939
Translators, Auditor, Social Secretariat	236,110	129,734
Legal fees relating to lawsuits	78,221	308,648
<b>Operating costs</b>	<b>2,112,969</b>	<b>2,042,964</b>
Rental and charges - premises	962,218	928,621
Parking facility rental	75,912	81,147
Building maintenance and security	136,050	140,084
Equipment maintenance and servicing	266,535	168,979
Documentation	126,753	153,130
Telephone, post, Internet	44,379	47,847
Office supplies	11,296	16,645
Costs of meetings and expenses	86,031	100,499
Travel expenses (including abroad)	54,932	58,016
Membership of associations	62,325	69,827
Insurance, taxes and sundry costs	286,537	278,169
<b>Depreciation costs</b>	<b>147,657</b>	<b>120,108</b>
Depreciation on tangible fixed assets	147,657	113,121
Depreciation on leasing	0	6,987
<b>Financial costs</b>	<b>16,951</b>	<b>10,018</b>
Financial charges on leasing and loans	27	712
Other	6,297	5,299
Transfer to irrecoverable funds and federal contributions	10,627	4,007
<b>«Other operating costs» sub-total</b>	<b>2,891,022</b>	<b>2,802,448</b>
<b>TOTAL CHARGES</b>	<b>13,950,499</b>	<b>14,092,369</b>
<b>Income (surcharges and fees)</b>	<b>13,461,304</b>	<b>13,692,024</b>
Electricity and natural gas contribution	12,602,064	14,029,546
Transfer of irrecoverable fund	5,806	4,869
Gas suppliers' adjustment, year n-1	1,576,248	752,878
CREG adjustment electricity, year n	215,781	56,428
CREG adjustment gas, year n	-950,595	-1,163,697
Other fees	12,000	12,000
<b>Financial income</b>	<b>398</b>	<b>151</b>
Income from current assets	2	6
Other financial income	395	145
<b>Extraordinary income</b>	<b>488,797</b>	<b>400,194</b>
Other extraordinary income	488,797	400,194
<b>TOTAL INCOME</b>	<b>13,950,499</b>	<b>14,092,369</b>
<b>RESULT FOR THE FINANCIAL YEAR</b>	<b>0</b>	<b>0</b>

Table 25: Balance sheet as of 31 December 2014 (euros) (Source: CREG)

	2014	2013
<b>ASSETS</b>		
<b>FIXED ASSETS</b>		
<b>Intangible and tangible fixed assets</b>	<b>266,210</b>	<b>235,450</b>
IT and telephone equipment	127,511	130,240
Office furniture and decoration	25,283	16,759
Building refurbishment	113,416	88,451
<b>Financial fixed assets</b>	<b>558</b>	<b>558</b>
Various guarantees	558	558
<b>CURRENT ASSETS</b>		
<b>Amounts receivable within one year</b>	<b>1,201,698</b>	<b>7,740,256</b>
Trade receivables	23,577	37,593
Other amounts receivable	64,639	59,259
Funds receivable	1,113,482	7,643,404
<b>Cash at bank and in hand</b>	<b>158,682,639</b>	<b>205,800,178</b>
CREG Fund	4,815,610	5,656,969
Social Energy Fund	113,621	10,213,484
Greenhouse Gases Fund	58,579,700	62,502,677
Denuclearisation Fund	7,827,225	8,401,429
Kyoto JI/CDM Fund	16,783,825	19,655,341
Protected Customers Fund - Electricity	18,771,189	27,969,533
Protected Customers Fund - Gas	19,608,552	42,174,069
Municipalities Fund	578,691	578,691
Heating Grant Fund	24,417,885	24,463,033
Federal Contribution Fund	1,113	0
Federal Contribution Electricity Degressivity Fund	7,164,667	4,183,781
Offshore degressivity Fund	19,778	0
Federal Contribution Gas Degressivity Fund	0	0
Irrecoverable Fund - Electricity	0	88
Cash	783	1,083
<b>Deferrals and accruals</b>	<b>1,037,643</b>	<b>838,623</b>
<b>TOTAL ASSETS</b>	<b>161,188,748</b>	<b>214,615,065</b>

	2014	2013
<b>LIABILITIES</b>		
<b>CAPITAL AND RESERVES</b>		
<b>Profit brought forward</b>	<b>1,314,222</b>	<b>1,314,222</b>
<b>CREG sector reserve</b>	<b>1,703,482</b>	<b>1,919,264</b>
Electricity	1,008,389	1,224,171
Gas	695,093	695,093
<b>PROVISIONS</b>		
<b>Indemnities of outgoing Board of Directors members</b>	<b>177,809</b>	<b>45,341</b>
<b>Other provisions</b>	<b>0</b>	<b>21,222</b>
<b>AMOUNTS PAYABLE</b>		
<b>Amounts payable within one year</b>	<b>3,013,507</b>	<b>3,529,487</b>
Current portion of amounts payable at more than one year	0	776
Trade debts	1,382,024	2,105,807
Taxes, salaries and social charges payable	1,631,483	1,422,904
<b>Various debts</b>	<b>154,979,728</b>	<b>207,785,529</b>
Social Energy Fund	119,736	10,451,126
Greenhouse Gases Fund	58,579,700	62,512,119
Denuclearisation Fund	7,845,960	8,401,429
Kyoto JI/CDM Fund	16,783,825	19,655,341
Protected Customers Fund - Electricity	18,784,284	27,969,533
Protected Customers Fund - Gas	19,608,552	42,844,621
Municipalities Fund	578,691	578,691
Heating Grant Fund	24,417,885	24,463,033
Federal Contribution Fund	0	0
Federal Contribution Electricity Degressivity Fund	7,164,667	4,183,781
Offshore degressivity Fund	19,778	6,725,123
Federal Contribution Gas Degressivity Fund	1,076,650	0
Irrecoverable Fund - Electricity	0	732
<b>Deferrals and accruals</b>	<b>0</b>	<b>0</b>
<b>TOTAL ASSETS</b>	<b>161,188,748</b>	<b>214,615,065</b>

#### 5.9.4. Company Auditor's Report on the Financial Year Ending 31 December 2014

*In accordance with the assignment entrusted to us by the Management Board pursuant to Article 11, §1 of the internal rules of 29 November 2012 of the Commission for Electricity and Gas Regulation, we have the pleasure of reporting to you on the accounts for the past financial year. This report contains our opinion on the accounts as well as the required additional statements and information.*

##### **Unqualified audit opinion on the accounts**

*We have audited the accounts of the Commission for the financial year ending 31 December 2014, prepared in accordance with the valuation rules adopted by the Management Board. These accounts are summarised in a balance sheet, the total of which amounts to 161.188.748 EUR and an income statement, the balance of which stands at 0 EUR, in accordance with the Royal Decrees of 24 March 2003 and of 2 April 2014 on the financing of the Commission, with the total income and charges standing at 13.950.499 EUR.*

*The Management Board is responsible for the preparation of the accounts. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation of the accounts that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate valuation rules; and making accounting estimates that are reasonable in the circumstances.*

*Our responsibility is to express an opinion on these accounts based on our audit. We conducted our audit in accordance with the auditing standards applicable in Belgium, as issued by the Institute of Registered Auditors (Institut des Revisseurs d'Entreprises / Instituut der Bedrijfsrevisoren). Those*

*standards require that we plan and perform the audit to obtain reasonable assurance that the accounts are free from material misstatement, whether due to fraud or error.*

*In accordance with the above-mentioned auditing standards, we considered the Commission's accounting system as well as its internal control procedures. We have obtained from the Management Board and the Commission's officials, the explanations and information necessary for executing our audit procedures. We have examined, on a test basis, the evidence supporting the amounts included in the accounts. We have assessed the appropriateness of valuation rules and the reasonableness of the significant accounting estimates made by the Commission. We believe that these procedures provide a reasonable basis for our opinion.*

*In our opinion, the balance sheet for the year ending 31 December 2014 and the income statement for the 2014 financial year give a true and fair view of the assets, the financial position and the results of the Commission in accordance with the valuation rules adopted by the Management Board.*

##### **Additional statements and information**

*We would like to supplement our report with the following additional statements and information, which do not modify our audit opinion on the accounts:*

- *Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the general rules of the law of 22 May 2003 on the organization of the budget and the accounting of the federal State and with the Royal Decree of 10 November 2009 fixing the chart of accounts applicable to the federal State, Communities, Regions and the Joint Community Commission`*

- *As indicated in the annual report drawn up by the Management Board, the amount of the adjustment for the 2014 financial year between the gas suppliers and the Commission, calculated in accordance with Article 5, §2 of the Royal Decree of 24 March 2003 on the financing of the Commission by the gas market, was unknown on the date on which the accounts of the Commission as per 31 December 2014 were established and could therefore not be taken into account. The adjustment relating to the previous financial year was, however, booked.*
- *We have not noted any infringements of the "Electricity" and "Gas" Acts or their implementing decrees as regards transactions referred to in the accounts of the Commission.*

Brussels, 13 February 2015



André KILESSE  
Auditor

## 5.10. List of Acts of the CREG During the Year 2014

<b>(B)140515-CDC-656G/23</b>	Décision sur la proposition tarifaire remaniée de FLUXYS BELGIUM SA relative aux tarifs de raccordement et d'utilisation du réseau de transport ainsi que les services de stockage et des services auxiliaires de FLUXYS BELGIUM pour les années 2012-2015 Beslissing over het aangepast tariefvoorstel van FLUXYS BELGIUM NV voor de tarieven voor de aansluiting op en het gebruik van het vervoersnet, alsook van de opslagdiensten en de ondersteunende diensten van FLUXYS BELGIUM voor de jaren 2012-2015
<b>(B)140528-CDC-656G/24</b> <b>(B)140626-CDC-656G/25</b>	Projet de décision et décision sur le rapport tarifaire incluant les soldes introduit par la SA FLUXYS BELGIUM concernant l'exercice d'exploitation 2013 Beslissing betreffende het tariefverslag met inbegrip van de saldi ingediend door NV FLUXYS BELGIUM voor het exploitatiejaar 2013
<b>(B)141120-CDC-656G/26</b>	Décision sur la proposition tarifaire remaniée de FLUXYS BELGIUM SA relative aux tarifs de raccordement et d'utilisation du réseau de transport ainsi que les services de stockage et des services auxiliaires de FLUXYS BELGIUM pour les années 2012-2015 Beslissing betreffende het aangepaste tariefvoorstel van FLUXYS BELGIUM NV voor de tarieven voor de aansluiting op en het gebruik van het vervoersnet, alsook van de opslagdiensten en de ondersteunende diensten van FLUXYS BELGIUM voor de jaren 2012-2015
<b>(B)140528-CDC-657G/08</b> <b>(B)140626-CDC-657G/09</b>	Projet de décision et décision sur le rapport tarifaire incluant les soldes introduit par la SA FLUXYS LNG concernant l'exercice d'exploitation 2013 Beslissing betreffende het tariefverslag met inbegrip van de saldi, ingediend door de NV FLUXYS LNG betreffende het exploitatiejaar 2013
<b>(B)141002-CDC-657G/10</b>	Décision sur la proposition tarifaire actualisée de la SA FLUXYS LNG pour l'utilisation du terminal méthanier de Zeebrugge Beslissing over het tariefvoorstel van FLUXYS LNG NV voor het gebruik van de methaangasterminal van Zeebrugge
<b>(B)140528-CDC-658E/29</b> <b>(B)140724-CDC-658E/29-1</b>	Projet de décision et décision relatifs au rapport tarifaire incluant les soldes introduit par la SA ELIA SYSTEM OPERATOR concernant l'exercice d'exploitation 2013 et tels que modifiés par le rapport tarifaire adapté
<b>(B)141210-CDC-658E/30</b> <b>(B)141218-CDC-658E/30</b>	Projet de décision et décision relatifs à la proposition du 25 novembre 2014 de SA ELIA SYSTEM OPERATOR relative à l'adaptation à partir du 1er janvier 2015 des tarifs pour les obligations de service public et des taxes et surcharges
<b>(B)141210-CDC-658E/31</b> <b>(B)141218-CDC-658E/31</b>	Ontwerpbeslissing en beslissing over het geactualiseerd tariefvoorstel, ingediend door de NV ELIA SYSTEM OPERATOR voor de overgang naar twee nieuwe diensten met ingang van 1 januari 2015
<b>(Z)140626-CDC-1109/4</b> <b>(Z)141124-CDC-1109/6</b>	Projet d'arrêté et projet d'arrêté adapté fixant la méthodologie tarifaire pour le réseau de transport d'électricité et pour les réseaux d'électricité ayant une fonction de transport Ontwerp van besluit en aangepast ontwerp van besluit tot vaststelling van de tariefmethodologie voor het elektriciteitstransmissienet en voor de elektriciteitsnetten met een transmissiefunctie
<b>(Z)141218-CDC-1109/7</b>	Arrêté fixant la méthodologie tarifaire pour le réseau de transport d'électricité et pour les réseaux d'électricité ayant une fonction de transport Besluit tot vaststelling van de tariefmethodologie voor het elektriciteitstransmissienet en voor de elektriciteitsnetten met een transmissiefunctie
<b>(Z)140618-CDC-1110/4</b> <b>(Z)141127-CDC-1110/6</b>	Projet d'arrêté et projet d'arrêté adapté fixant la méthodologie tarifaire pour le réseau de transport de gaz naturel, l'installation de stockage de gaz naturel et l'installation de GNL Ontwerp van besluit tot vaststelling van de tariefmethodologie voor het aardgasvervoersnet, de opslaginstallatie voor aardgas en de LNG-installatie
<b>(Z)141218-CDC-1110/7</b>	Arrêté fixant la méthodologie tarifaire pour le réseau de transport de gaz naturel, l'installation de stockage de gaz naturel et l'installation de GNL Besluit tot vaststelling van de tariefmethodologie voor het aardgasvervoersnet, de opslaginstallatie voor aardgas en de LNG-installatie
<b>(B)140123-CDC-1219E/5</b> <b>(B)140424-CDC-1219E/6</b> <b>(B)140717-CDC-1219E/7</b> <b>(B)141016-CDC-1219E/8</b>	Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur EBEM durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014 Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijs door de leverancier EBEM tijdens het eerste, tweede, derde en vierde kwartaal van 2014

<p><b>(B)140123-CDC-1219G/5</b>  <b>(B)140424-CDC-1219G/6</b>  <b>(B)140717-CDC-1219G/7</b>  <b>(B)141016-CDC-1219G/8</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur EBEM durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier EBEM tijdens het eerste, tweede, derde en vierde kwartaal van 2014</p>
<p><b>(B)140123-CDC-1220E/5</b>  <b>(B)140424-CDC-1220E/6</b>  <b>(B)140717-CDC-1220E/7</b>  <b>(B)141016-CDC-1220E/8</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur EDF LUMINUS durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier EDF LUMINUS tijdens het eerste, tweede, derde en vierde kwartaal van 2014</p>
<p><b>(B)140123-CDC-1220G/5</b>  <b>(B)140424-CDC-1220G/6</b>  <b>(B)140717-CDC-1220G/7</b>  <b>(B)141016-CDC-1220G/8</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur EDF LUMINUS durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier EDF LUMINUS tijdens het eerste, tweede, derde en vierde kwartaal van 2014</p>
<p><b>(B)140123-CDC-1221E/5</b>  <b>(B)140424-CDC-1221E/6</b>  <b>(B)140717-CDC-1221E/7</b>  <b>(B)141016-CDC-1221E/8</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur ELECTRABEL CUSTOMER SOLUTIONS durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier ELECTRABEL CUSTOMER SOLUTIONS tijdens het eerste, tweede, derde en vierde kwartaal van 2014</p>
<p><b>(B)140123-CDC-1221G/5</b>  <b>(B)140424-CDC-1221G/6</b>  <b>(B)140717-CDC-1221G/7</b>  <b>(B)141016-CDC-1221G/8</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur ELECTRABEL CUSTOMER SOLUTIONS durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier ELECTRABEL CUSTOMER SOLUTIONS tijdens het eerste, tweede, derde en vierde kwartaal van 2014</p>
<p><b>(B)140123-CDC-1222E/5</b>  <b>(B)140424-CDC-1222E/6</b>  <b>(B)140717-CDC-1222E/7</b>  <b>(B)141016-CDC-1222E/8</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur ELEGANT durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier ELEGANT tijdens het eerste, tweede, derde en vierde kwartaal van 2014</p>
<p><b>(B)140123-CDC-1222G/5</b>  <b>(B)140424-CDC-1222G/6</b>  <b>(B)140717-CDC-1222G/7</b>  <b>(B)141016-CDC-1222G/8</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur ELEGANT durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier ELEGANT tijdens het eerste, tweede, derde en vierde kwartaal van 2014</p>
<p><b>(B)140123-CDC-1223G/5</b>  <b>(B)140424-CDC-1223G/6</b>  <b>(B)140717-CDC-1223G/7</b>  <b>(B)141016-CDC-1223G/8</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur ENECO durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier ENECO tijdens het eerste, tweede, derde en vierde kwartaal van 2014</p>

<p><b>(B)140123-CDC-1224E/5</b>  <b>(B)140424-CDC-1224E/6</b>  <b>(B)140717-CDC-1224E/7</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur ENI durant le premier, le deuxième et le troisième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier ENI tijdens het eerste, tweede en derde kwartaal van 2014</p>
<p><b>(B)140123-CDC-1224G/5</b>  <b>(B)140424-CDC-1224G/6</b>  <b>(B)140717-CDC-1224G/7</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur ENI durant le premier, le deuxième et le troisième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier ENI tijdens het eerste, tweede en derde kwartaal van 2014</p>
<p><b>(B)140123-CDC-1225E/5</b>  <b>(B)140424-CDC-1225E/6</b>  <b>(B)140717-CDC-1225E/7</b>  <b>(B)141016-CDC-1225E/8</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur ESSENT durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier ESSENT tijdens het eerste, tweede, derde en vierde kwartaal van 2014</p>
<p><b>(B)140123-CDC-1225G/5</b>  <b>(B)140424-CDC-1225G/6</b>  <b>(B)140717-CDC-1225G/7</b>  <b>(B)141016-CDC-1225G/8</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur ESSENT durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier ESSENT tijdens het eerste, tweede, derde en vierde kwartaal van 2014</p>
<p><b>(B)140123-CDC-1226G/5</b>  <b>(B)140424-CDC-1226G/6</b>  <b>(B)140717-CDC-1226G/7</b>  <b>(B)141016-CDC-1226G/8</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur LAMPIRIS durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier LAMPIRIS tijdens het eerste, tweede, derde en vierde kwartaal van 2014</p>
<p><b>(B)140123-CDC-1227E/5</b>  <b>(B)140424-CDC-1227E/6</b>  <b>(B)140717-CDC-1227E/7</b>  <b>(B)141016-CDC-1227E/8</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur OCTA+ durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier OCTA+ tijdens het eerste, tweede, derde en vierde kwartaal van 2014</p>
<p><b>(B)140123-CDC-1227G/5</b>  <b>(B)140424-CDC-1227G/6</b>  <b>(B)140717-CDC-1227G/7</b>  <b>(B)141016-CDC-1227G/8</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur OCTA+ durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier OCTA+ tijdens het eerste, tweede, derde en vierde kwartaal van 2014</p>
<p><b>(B)140123-CDC-1268G/3</b>  <b>(B)140424-CDC-1268G/4</b>  <b>(B)140717-CDC-1268G/5</b>  <b>(B)141016-CDC-1268G/6</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur ANTARGAZ durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier ANTARGAZ tijdens het eerste, tweede, derde en vierde kwartaal van 2014</p>
<p><b>(B)140123-CDC-1269E/3</b>  <b>(B)140424-CDC-1269E/4</b>  <b>(B)140717-CDC-1269E/5</b></p>	<p>Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur ELEXYS durant le premier, le deuxième et le troisième trimestre de 2014</p> <p>Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier ELEXYS tijdens het eerste, tweede et derde kwartaal van 2014</p>

<b>(B)140123-CDC-1269G/3</b> <b>(B)140424-CDC-1269G/4</b> <b>(B)140717-CDC-1269G/5</b>	Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur ELEXYS durant le premier, le deuxième et le troisième trimestre de 2014 Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijz door de leverancier ELEXYS tijdens het eerste, tweede en derde kwartaal van 2014
<b>(B)140123-CDC-1282</b> <b>(B)140327-CDC-1282</b>	Ontwerpbeslissing en eindbeslissing over de vraag tot goedkeuring van het voorstel van contract voor het aankopen van groenestroomcertificaten tussen de NV ELIA SYSTEM OPERATOR en de NV BELWIND
<b>(B)140123-CDC-1285G/2</b> <b>(B)140424-CDC-1285G/3</b> <b>(B)140717-CDC-1285G/4</b> <b>(B)141016-CDC-1285G/5</b>	Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur WATZ durant le premier, le deuxième, le troisième et le quatrième trimestre de 2014 Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijz door de leverancier WATZ tijdens het eerste, tweede, derde en vierde kwartaal van 2014
<b>(F)140130-CDC-1289</b>	Etude sur la gouvernance des bourses d'électricité: concurrence ou régulation ? Studie over het beheer van energiebeurzen: mededinging of regulering ?
<b>(B)140522-CDC-1296</b> <b>(B)141009-CDC-1296</b>	Projet de décision et décision finale relative à la demande d'approbation de la proposition de la SA ELIA SYSTEM OPERATOR relative au modèle général de calcul de la capacité de transfert totale et de la marge de fiabilité du transport ; méthode d'application pour les frontières belges pour les capacités journaliers Ontwerpbeslissing en eindbeslissing over de aanvraag tot goedkeuring van het voorstel van de NV ELIA SYSTEM OPERATOR betreffende het algemene model voor de berekening van de totale overdrachtcapaciteit en de transportbetrouwbaarheidsmarge; methode van toepassing op de Belgische grenzen voor dagcapaciteiten
<b>(Z)140109-CDC-1299</b>	Note relative aux évolutions marquantes sur les marchés de gros de l'électricité et du gaz en 2013 Nota over de opvallende evoluties op de Belgische groothandelsmarkt elektriciteit en gas in 2013
<b>(B)140123-CDC-1300</b>	Décision relative aux modifications proposées par la SA FLUXYS BELGIUM des annexes A et B et de l'Appendice 1 de l'annexe B du Règlement d'Accès pour le Transport de gaz naturel Beslissing over de door de NV FLUXYS BELGIUM voorgestelde wijzigingen van bijlagen A en B en Appendix 1 bij bijlage B van het Toegangsreglement voor Aardgasvervoer
<b>(A)140123-CDC-1301</b>	Avis relatif à l'octroi d'une autorisation individuelle relative à l'établissement d'une installation de production d'électricité à Manage par la SA ENI POWER GENERATION
<b>(B)140123-CDC-1302</b> <b>(B)140213-CDC-1302</b>	Projet de décision et décision finale relatifs à la demande de NORTHWIND d'octroi de certificats verts pour l'électricité produite par les éoliennes A01, A02, A03, A04, A05, A06, A07, A08, A09, C01, C02, C03, C04, C05, C06, C07, C08, C09 et C10 Ontwerpbeslissing en eindbeslissing over de aanvraag van NORTHWIND voor toekenning van groenestroomcertificaten voor de elektriciteit opgewekt door de windmolens A01, A02, A03, A04, A05, A06, A07, A08, A09, C01, C02, C03, C04, C05, C06, C07, C08, C09 en C10
<b>(A)140116-CDC-1303</b>	Avis relatif à la demande de la SA FLUXYS Belgium pour l'octroi d'un avenant à l'autorisation de transport A322-548 pour le remplacement d'un tronçon DN300 par du DN400 dans une zone de loisirs près de la Chaussée de France à Neufchâteau
<b>(A)140123-CDC-1304</b>	Advies over de aanvraag van de NV FLUXYS BELGIUM voor de toekenning van een vervoersvergunning voor de vervoersinstallaties DN900 HD te Ravels en Oud-Turnhout. Betrokken gasvervoersinstallaties: Ravels (Poppel) – Ravels (Weelde) III – A322-886 van 4/03/1976 Ravels (Weelde) – Herent (Winksele) I – A322-54 van 18/10/1967 Ravels (Weelde) – Herent (Winksele) II – A322-627 van 21/09/1973
<b>(A)140130-CDC-1305</b>	Avis relatif à l'octroi d'une autorisation individuelle de fourniture de gaz naturel à LAMPIRIS SA

<b>(B)140206-CDC-1306</b> <b>(B)140508-CDC-1306</b>	Projet de décision et décision finale relatifs à la méthode de répartition des capacités entre les différents horizons de temps sur la liaison entre la Belgique et les Pays-Bas Ontwerpbeslissing en eindbeslissing over de methode voor de verdeling van de capaciteiten tussen de verschillende tijdshorizonten op de koppelverbinding België-Nederland
<b>(C)140207-CDC-1307</b>	Proposition d'arrêté royal modifiant l'arrêté royal du 16 juillet 2002 relatif à l'établissement de mécanismes visant la promotion de l'électricité produite à partir de sources d'énergie renouvelables Voorstel van koninklijk besluit tot wijziging van het koninklijk besluit van 16 juli 2002 betreffende de instelling van mechanismen voor de bevordering van elektriciteit opgewekt uit hernieuwbare energiebronnen
<b>(A)140130-CDC-1308</b>	Avis relatif à l'octroi d'une autorisation individuelle relative à l'extension d'une installation de production d'électricité (parc éolien) à Neufchâteau-Léglise par la SA ELECTRABEL
<b>(A)140206-CDC-1309</b>	Advies over de toekenning van een individuele leveringsvergunning voor aardgas aan ENI GAS & POWER NV
<b>(B)140213-CDC-1310</b> <b>(B)140228-CDC-1310</b>	Projet de décision et décision finale concernant la proposition de la SA ELIA SYSTEM OPERATOR concernant les règles de fonctionnement du marché relatif à la compensation des déséquilibres quart-horaires Ontwerpbeslissing en eindbeslissing over het voorstel van de NV ELIA SYSTEM OPERATOR betreffende de werkingsregels van de markt voor de compensatie van de kwartier onevenwichten
<b>(A)140213-CDC-1312</b>	Advies over de aanvraag van de NV FLUXYS BELGIUM voor de toekenning van een vervoersvergunning A323-3931 voor de bouw van een ondergronds afsluiterknooppunt en een leidingdeel te Zwijndrecht
<b>(A)140213-CDC-1313</b>	Advies over de aanvraag tot overdracht door de tijdelijke handelsvennootschap SEASTAR van de domeinconcessie voor de bouw en de exploitatie van installaties voor de productie van elektriciteit uit wind in de zeegebieden, haar toegekend bij ministerieel besluit van 1 juni 2012, aan de NV SEASTAR
<b>(B)140220-CDC-1314</b> <b>(B)140313-CDC-1314</b>	Projet de décision et décision finale sur la demande de NORTHWIND pour l'octroi de certificats verts pour les éoliennes B01, B02, B03, B05, B06, B07, D01, D02, D03, D04, D05, D06, D07, D08 et D09 Ontwerpbeslissing en eindbeslissing over de aanvraag van NORTHWIND voor toekenning van groenestroomcertificaten voor de elektriciteit opgewekt door de windmolens B01, B02, B03, B05, B06, B07, D01, D02, D03, D04, D05, D06, D07, D08 en D09
<b>(A)140227-CDC-1315</b>	Advies over de aanvraag van de NV FLUXYS BELGIUM voor de toekenning van een vervoersvergunning A323-3905 voor de bouw van een aardgasleiding Alveringem-Maldegem met aftakking naar Langemark-Poelkapelle. Betrokken gasvervoersinstallaties : DN900 HD Alveringem - Houthulst; DN900 HD Houthulst - Lichtervelde; DN900 HD Lichtervelde - Maldegem; DN250 HD Houthulst - Langemark-Poelkappele; Alveringem Station; Maldegem Station
<b>(A)140311-CDC-1316</b>	Avis relatif au projet d'arrêté royal établissant les modalités de la cotisation fédérale destinée au financement de certaines obligations de service public et des coûts liés à la régulation et au contrôle du marché du gaz naturel Advies over het ontwerp van koninklijk besluit tot bepaling van de nadere regels betreffende de federale bijdrage bestemd voor de financiering van sommige openbare dienstverplichtingen en van de kosten verbonden aan de regulering van en controle op de aardgasmarkt
<b>(C)140313-CDC-1317</b>	Proposition d'arrêté royal portant modification de l'arrêté royal du 16 juillet 2002 relatif à l'établissement de mécanismes visant la promotion de l'électricité produite à partir de sources d'énergie renouvelables Voorstel van koninklijk besluit tot wijziging van het koninklijk besluit van 16 juli 2002 betreffende de instelling van mechanismen voor de bevordering van elektriciteit opgewekt uit hernieuwbare energiebronnen
<b>(Z)140327-CDC-1318</b>	Rapport relatif au monitoring des éventuels effets perturbateurs sur le marché dans le cadre du mécanisme du filet de sécurité introduit par l'article 20bis, §§1 <sup>er</sup> à 5 de la loi électricité et l'article 15/10bis, §§1 <sup>er</sup> à 5 de la loi gaz Verslag over de monitoring van mogelijke marktversturende effecten in het kader van het vangnetmechanisme ingevoerd via artikel 20bis, §§1 tot 5 van de elektriciteitswet en artikel 15/10bis, §§1 tot 5 van de gaswet

<b>(F)140430-CDC-1319</b>	Etude relative aux fonctionnement et évolution des prix sur le marché de gros belge de l'électricité - rapport de monitoring 2013 Studie over de werking van en de prijsevolutie op de Belgische groothandelsmarkt voor elektriciteit - monitoringrapport 2013
<b>(B)140403-CDC-1320</b> <b>(B)140430-CDC-1320</b>	Ontwerpbeslissing en eindbeslissing over de aanvraag van NORTHWIND voor toekenning van groenestroomcertificaten voor de elektriciteit opgewekt door de windmolens E01, E02, E03, E04, E05, E06, E07, E08, E09, F01, F02, F03, F04, F05, F06, F07, F08, F09 en F10
<b>(F)140430-CDC-1321</b>	Etude relative au raccordement des parcs éoliens offshore prévus dans les espaces marins sur lesquels la Belgique peut exercer sa juridiction conformément au droit international de la mer Studie over de aansluiting van de geplande offshore windmolenparken in de zeegebieden waarin België rechtsmacht kan uitoefenen overeenkomstig het internationaal zeerecht
<b>(A)140403-CDC-1322</b>	Advies over de aanvraag van de NV FLUXYS BELGIUM voor de toekenning van een bijvoegsel bij de vervoersvergunning A322-44 van 19 september 1967 voor de vervanging en verplaatsing van de aardgasvervoerleiding onder de Robert Orlentvijver te Nazareth
<b>(B)140424-CDC-1323E/1</b> <b>(B)140717-CDC-1323E/2</b> <b>(B)141016-CDC-1323E/3</b>	Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur MEGA durant le deuxième, le troisième et le quatrième trimestre de 2014 Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier MEGA tijdens het tweede, derde en vierde kwartaal van 2014
<b>(B)140424-CDC-1323G/1</b> <b>(B)140717-CDC-1323G/2</b> <b>(B)141016-CDC-1323G/3</b>	Décisions relatives à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur MEGA durant le deuxième, le troisième et le quatrième trimestre de 2014 Beslissingen over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijis door de leverancier MEGA tijdens het tweede, derde en vierde kwartaal van 2014
<b>(A)140528-CDC-1324</b>	Advies over de toekenning van een individuele leveringsvergunning voor aardgas aan ELECTRABEL CUSTOMER SOLUTIONS NV
<b>(Z)140424-CDC-1325</b>	Rapport comparatif des objectifs formulés dans la note de politique générale de la CREG et des réalisations de l'année 2013 Vergelijkend verslag van de doelstellingen geformuleerd in het beleidsplan van de CREG en van de verwezenlijkingen van het jaar 2013
<b>(B)140515-CDC-1326</b>	Décision relative aux modifications proposées par la SA FLUXYS BELGIUM du programme de transport de gaz naturel et des annexes A, B, C1, C3 et G du règlement d'accès pour le transport de gaz naturel Beslissing over de door de NV Fluxys Belgium voorgestelde wijzigingen van het Aardgasvervoersprogramma en van bijlagen A, B, C1, C3 en G van het Toegangsreglement voor Aardgasvervoer
<b>(Z)140424-CDC-1327</b>	Note relative au projet de modalités de procédure de constitution de réserves stratégiques Nota over het ontwerp van de proceduremodaliteiten voor de aanleg van strategische reserves
<b>(B)140522-CDC-1328</b> <b>(B)140626-CDC-1328</b>	Projet de décision et décision finale sur la demande d'approbation de la méthode d'évaluation et de la détermination de la puissance de réserve primaire, secondaire et tertiaire pour 2015 Ontwerpbeslissing en eindbeslissing over de vraag tot goedkeuring van de evaluatie-methode voor en de bepaling van het primair, secundair en tertiair reservevermogen voor 2015
<b>(A)140508-CDC-1329</b>	Advies over de aanvraag van de NV FLUXYS BELGIUM voor de toekenning van een vervoersvergunning A322-3900 voor de herstructurering van aardgasvervoerleidingen in de regio Gent (deel Zuid). Betrokken gasvervoersinstallaties : DN300 LD Gent (Sint-Amandsberg) – Destelbergen (Scheldekant) DN300 LD Gent (Zwijnaarde – Gentbrugge) Dn200 LD Gent - Transpac
<b>(B)140512-CDC-1330</b> <b>(B)140605-CDC-1330</b>	Projet de décision et décision finale relatifs à la proposition de la SA ELIA SYSTEM OPERATOR relative aux règles de fonctionnement de la réserve stratégique Ontwerpbeslissing en eindbeslissing over het voorstel van Elia betreffende de werkingsregels van de strategische reserve

<b>(B)140515-CDC-1331</b>	Décision sur la proposition de la SA ELIA SYSTEM OPERATOR concernant les règles de fonctionnement du marché relatif à la compensation des déséquilibres quart-horaires - Entrée en vigueur le 1er janvier 2015 Beslissing over het voorstel van de NV ELIA SYSTEM OPERATOR betreffende de werkingsregels van de markt voor de compensatie van de kwartieronevenwichten – Inwerkingtreding op 1 januari 2015
<b>(E)140515-CDC-1332</b>	Voorstel over de toekenning van een vergunning voor de levering van elektriciteit aan de NV ELECTRABEL
<b>(B)140522-CDC-1333</b> <b>(B)140619-CDC-1333</b>	Ontwerpbeslissing en eindbeslissing over de aanvraag van NORTHWIND voor toekenning van groenestroomcertificaten voor de elektriciteit opgewekt door de windmolens G01, G02, G03, G05, G06, G07, G08 en G09
<b>(B)140528-CDC-1335</b>	Décision relative à la demande d'approbation des annexes modifiées B, C1, C2, D1, H1 et H2 du règlement d'accès pour le stockage ainsi que du programme de stockage et du glossaire de définitions, modifié conformément, de la SA FLUXYS BELGIUM Beslissing over de aanvraag tot goedkeuring van de gewijzigde bijlagen B, C1, C2, D1, H1 en H2 van het Toegangsreglement voor Opslag alsook het overeenkomstig gewijzigde Opslagprogramma en glossarium van definities van de NV FLUXYS BELGIUM
<b>(R)140522-CDC-1336</b> <b>(R)140828-CDC-1336</b>	Projet de lignes directrices et lignes directrices en matière tarifaire concernant les informations à considérer comme confidentielles en raison de leur caractère commercialement sensible ou de leur caractère personnel Ontwerp van richtsnoeren en richtsnoeren inzake tarieven over de informatie die als vertrouwelijk te beschouwen is omwille van het commercieel gevoelige karakter of persoonlijke karakter ervan
<b>(F)140619-CDC-1337</b>	Etude relative à l'organisation d'achats groupés sur le marché de l'énergie Studie over de organisatie van groepsaankopen binnen de energiemarkt
<b>(A)140605-CDC-1338</b>	Avis sur l'indépendance de X en tant qu'administrateur indépendant de FLUXYS BELGIUM SA
<b>(A)140619-CDC-1339</b>	Advies over de toekenning van een individuele leveringsvergunning voor aardgas aan de NV ELECTRABEL
<b>(B)140626-CDC-1340</b> <b>(B)140717-CDC-1340</b>	Ontwerpbeslissing en eindbeslissing Northwind over de aanvraag van NORTHWIND voor toekenning van groenestroomcertificaten voor de elektriciteit opgewekt door de windmolens BO4, GO4, H01, H02, H03, H04, H05, H06, H07, H08 en H09
<b>(RA)140626-CDC-1341</b>	Rapport relatif au mécanisme du filet de sécurité introduit par l'article 20bis, §§1er à 5 de la loi électricité et l'article 15/10bis, §§1er à 5 de la loi gaz Rapport over het vangnetmechanisme ingevoerd via artikel 20bis, §§1 tot 5 van de elektriciteitswet en artikel 15/10bis, §§1 tot 5 van de gaswet
<b>(A)140626-CDC-1342</b>	Advies over de aanvraag van de NV FLUXYS LNG voor de toekenning van een bijvoegsel bij de vervoersvergunning A322-1355 van 8 augustus 1977 voor de bouw van een 5de tank met procesinstallaties en van een 2de trucklaadstation te Zeebrugge
<b>(A)140626-CDC-1343</b>	Avis relatif à la demande de la SA FLUXYS BELGIUM pour l'octroi d'une autorisation de transport A323-3930 pour la pose de nouvelles canalisations souterraines de transport de gaz naturel et leurs accessoires sur le territoire de Virton
<b>(A)140626-CDC-1344</b>	Advies over de aanvraag van de NV FLUXYS BELGIUM voor de toekenning van een vervoersvergunning A322-3937 voor de bouw van een nieuw ontspanningsstation voor aardgas in de Groenstraat te Herne
<b>(A)140925-CDC-1345</b>	Etude relative aux fonctionnement et évolution des prix sur le marché de gros belge du gaz naturel - rapport de monitoring 2013 Studie over de werking van en de prijsevolutie op de Belgische groothandelsmarkt voor aardgas - monitoringrapport 2013
<b>(A)140710-CDC-1346</b>	Avis relatif à l'octroi d'une autorisation individuelle de fourniture de gaz naturel à ENI S.p.A.
<b>(E)140710-CDC-1347</b>	Proposition relative à l'octroi d'une autorisation individuelle de fourniture d'électricité à ENI S.p.A.
<b>(A)140703-CDC-1348</b>	Avis sur l'indépendance de X en tant qu'administrateur indépendant au sein des conseils d'administration d'ELIA SYSTEM OPERATOR SA et d'ELIA ASSET SA
<b>(A)140703-CDC-1349</b>	Avis sur l'indépendance de X en tant qu'administrateur indépendant au sein des conseils d'administration d'ELIA SYSTEM OPERATOR SA et d'ELIA ASSET SA

<b>(A)140703-CDC-1350</b>	Avis sur l'indépendance de X en tant qu'administrateur indépendant au sein des conseils d'administration d'ELIA SYSTEM OPERATOR SA et d'ELIA ASSET SA
<b>(A)140724-CDC-1351</b>	Advies over de aanvraag tot goedkeuring van de door BELPEX voorgestelde wijzigingen aan het BELPEX marktreglement
<b>(A)140908-CDC-1352</b>	Etude relative au marché de gros belge en cas de rareté et de pénurie d'électricité Studie over de Belgische groothandelsmarkt bij stroomschaarste en stroomtekort
<b>(C)140717-CDC-1353</b>	Proposition relative au renouvellement de l'autorisation de fourniture d'électricité de EDF LUMINUS
<b>(C)140717-CDC-1354</b>	Proposition relative à l'octroi d'une autorisation de fourniture d'électricité à TOTAL GAS & POWER BELGIUM SA
<b>(F)140828-CDC-1355</b>	Etude sur la détermination des parts de marchés des candidats ayant répondu à l'appel d'offres portant sur l'établissement de nouvelles installations de production d'électricité en Belgique
<b>(A)140724-CDC-1356</b>	Avis relatif à l'octroi d'une autorisation individuelle de fourniture de gaz naturel à E.ON GLOBAL COMMODITIES SE
<b>(A)140730-CDC-1357</b>	Advies over de aanvraag tot wijziging van de domeinconcessie voor de bouw en de exploitatie van installaties voor de productie van elektriciteit uit wind in de zeegebieden toegekend aan de tijdelijke handelsvennootschap MERMAID bij ministerieel besluit van 20 juli 2012
<b>(A)140828-CDC-1358</b>	Avis sur le caractère manifestement déraisonnable ou non des prix offerts à ELIA SYSTEM OPERATOR SA pour la fourniture de la réserve stratégique en réponse à l'appel d'offres du 10 juin 2014
<b>(Z)140828-CDC-1359</b>	Rapport relatif à l'évolution des paramètres d'indexation des fournisseurs Verslag over de evolutie van de indexeringsparameters van de leveranciers
<b>(A)140829-CDC-1360</b>	Eindbeslissing over de wijzigingen van de algemene voorwaarden van de contracten van toegangsverantwoordelijke, voorgesteld door de netbeheerder
<b>(B)140911-CDC-1361</b>	Rapport sur le caractère manifestement déraisonnable ou non des prix offerts à ELIA SYSTEM OPERATOR SA pour la fourniture de services auxiliaires pour l'exercice d'exploitation 2015
<b>(B)140918-CDC-1362</b>	Beslissing over de door de NV FLUXYS BELGIUM voorgestelde wijzigingen van het Aardgasvervoersprogramma en van de bijlagen A, B, C3 en Appendix 1 bij bijlage B van het Toegangsreglement voor Aardgasvervoer Décision relative aux modifications proposées par la SA FLUXYS BELGIUM du programme de transport de gaz naturel et des annexes A, B et C3 et de l'appendice 1 de l'annexe B du règlement d'accès pour le transport de gaz naturel
<b>(F)141002-CDC-1363</b>	Etude relative aux mécanismes de fixation du prix de l'énergie en vigueur en 2013 au sein des contrats de fourniture d'électricité des grands clients industriels de ELECTRABEL SA
<b>(E)140918-CDC-1364</b>	Voorstel betreffende de toekenning aan RWE SUPPLY & TRADING GmbH van een leveringsvergunning elektriciteit
<b>(A)140918-CDC-1365</b>	Avis relatif à l'octroi d'une autorisation individuelle de fourniture de gaz naturel à STATOIL ASA
<b>(A)140911-CDC-1366</b>	Avis sur le renouvellement du mandat de X auprès d'ELIA SYSTEM OPERATOR SA et d'ELIA ASSET SA
<b>(A)140911-CDC-1367</b>	Avis sur le renouvellement du mandat de X auprès d'ELIA SYSTEM OPERATOR SA et d'ELIA ASSET SA
<b>(B)141003-CDC-1370</b>	Décision relative à la demande d'approbation des conditions principales d'accès aux services de transbordement de GNL de la SA FLUXYS LNG Beslissing over de aanvraag tot goedkeuring van de belangrijkste voorwaarden voor de toegang tot de LNG overslagdiensten van de NV FLUXYS LNG
<b>(R)141023-CDC-1371</b>	Lignes directrices relatives à la procédure de détermination des valeurs entrant en ligne de compte pour la fixation du prix minimal par certificat vert pour l'énergie éolienne offshore Richtlijnen over de procedure voor de vastlegging van de waarden die in aanmerking worden genomen voor de bepaling van de minimumprijs per groenestroomcertificaat voor offshore windenergie

<b>(B)141002-CDC-1372</b> <b>(B)141023-CDC-1372</b>	Projet de décision et décision finale sur la proposition de la SA ELIA SYSTEM OPERATOR concernant l'adaptation des règles de fonctionnement du marché relatif à la compensation des déséquilibres quart-horaires Ontwerpbeslissing en eindbeslissing over het voorstel van de NV ELIA SYSTEM OPERATOR betreffende de aanpassing van de werkingsregels van de markt voor de compensatie van de kwartieronevenwichten
<b>(A)141002-CDC-1373</b>	Avis relatif à la demande de la SA FLUXYS Belgium pour l'octroi d'un avenant à l'autorisation de transport A322-548 pour la construction d'une nouvelle détente dans la station de Libramont-Chevigny (Bras)
<b>(A)141002-CDC-1374</b>	Avis relatif à la demande de la SA FLUXYS Belgium pour l'octroi d'une autorisation de transport A323-3871 pour la régularisation de la canalisation DN150 BP Saint-Ghislain (Baudour)
<b>(B)141016-CDC-1375</b>	Décision relative à la demande introduite par la SA FLUXYS BELGIUM d'approbation des obligations intrajournalières existantes en vue de poursuivre leur utilisation et de désignation en tant que partie chargée des prévisions en matière d'équilibrage du gaz du réseau de transport de gaz naturel Beslissing over de door de NV FLUXYS BELGIUM ingediende aanvraag tot goedkeuring van de bestaande binnen-de-dag-verplichtingen om het gebruik ervan te kunnen voortzetten en tot aanwijzing als partij die de prognoses opstelt inzake gasbalancerings van het aardgasvervoersnet
<b>(A)141009-CDC-1376</b>	Advies over de toekenning van een individuele leveringsvergunning voor aardgas aan VATTENFALL ENERGY TRADING NETHERLANDS NV
<b>(A)141016-CDC-1377</b>	Advies over de aanvraag van de NV FLUXYS BELGIUM voor de toekenning van een vervoersvergunning A322-3957 voor de aansluiting DN150 HD van VOPAK CHEMICAL TERMINALS BELGIUM NV te Antwerpen
<b>(A)141016-CDC-1378</b>	Advies over de aanvraag van de NV FLUXYS BELGIUM voor de toekenning van een vervoersvergunning A322-3960 voor de aansluiting DN150 HD van PRAXAIR NV te Antwerpen
<b>(B)141016-CDC-1379E/1</b>	Décision relative à la constatation de l'application correcte de la formule d'indexation et la conformité avec la liste exhaustive des critères admis pour les contrats-types à prix variable de l'énergie par le fournisseur ENERGY PEOPLE durant le quatrième trimestre de 2014 Beslissing over de vaststelling van de correcte toepassing van de indexeringsformule en de conformiteit met de exhaustieve lijst van toegelaten criteria voor de contracttypes met een variabele energieprijzen door de leverancier ENERGY PEOPLE tijdens het vierde kwartaal van 2014
<b>(A)141016-CDC-1380</b>	Rapport relatif au caractère manifestement déraisonnable ou non des prix offerts à ELIA SYSTEM OPERATOR SA pour la fourniture de services auxiliaires, en l'occurrence, les produits de réglage tertiaire des services d'ajustement de profil et de réglage tertiaire via des prélèvements interruptibles pour l'exercice d'exploitation 2015
<b>(B)141016-CDC-1381</b>	Décision relative à la proposition d'adaptation des modalités d'application du tarif pour le maintien et la restauration de l'équilibre individuel des responsables d'accès Beslissing betreffende het voorstel tot aanpassing van de toepassingsmodaliteiten van het tarief voor het handhaven en herstellen van het individueel evenwicht van de toegangsverantwoordelijken
<b>(Z)141023-CDC-1382</b>	Note de politique générale pour l'année 2015 Beleidsplan voor het jaar 2015
<b>(F)141204-CDC-1383</b>	Rapport relatif à la relation entre les coûts et les prix sur le marché belge du gaz naturel en 2013
<b>(F)141127-CDC-1384</b>	Etude sur la fourniture d'électricité des grands clients industriels en Belgique Studie over de elektriciteitsbelevering van grote industriële klanten in België
<b>(F)141218-CDC-1385</b>	Etude relative au marché belge des grands consommateurs de gaz naturel en 2013
<b>(A)141120-CDC-1386</b>	Advies over de aanvraag van de NV FLUXYS BELGIUM voor de toekenning van een vervoersvergunning A322-3941 voor de aanleg of aanpassing van aardgasvervoersleidingen DN250 en DN600 HD tussen Tessenderlo en Diest en nieuw te bouwen stations te Tessenderlo en Diest
<b>(A)141120-CDC-1387</b>	Advies over de toekenning van een individuele leveringsvergunning voor aardgas aan GASTERRA BV

<b>(C)141127-CDC-1388</b>	Proposition sur le calcul de la surcharge destinée à compenser le coût réel net supporté par le gestionnaire du réseau résultant de l'obligation d'achat et de vente des certificats verts en 2015
<b>(A)141204-CDC-1389</b>	Advies over de toekenning van een individuele leveringsvergunning voor aardgas aan WINTERSHALL HOLDING GmbH
<b>(B)141204-CDC-1390</b> <b>(B)141218-CDC-1390</b>	Projet de décision et décision finale relative à la demande d'approbation de la proposition de la SA ELIA SYSTEM OPERATOR relative à la procédure exceptionnelle pour le calcul des capacités de transfert suite à la rareté d'électricité en Belgique Ontwerpbeslissing en eindbeslissing over de aanvraag tot goedkeuring van het voorstel van de NV ELIA SYSTEM OPERATOR betreffende de uitzonderlijke procedure voor de berekening van de overdrachtscapaciteiten naar aanleiding van de stroomschaarste in België
<b>(A)141210-CDC-1391</b>	Advies over de aanvraag tot verlenging van de domeinconcessie voor de bouw en de exploitatie van installaties voor de productie van elektriciteit uit wind in de zeegebieden (Bligh Bank) toegekend aan de NV BELWIND bij ministerieel besluit van 5 juni 2007 en gewijzigd bij ministeriële besluiten van 5 februari 2009 en van 10 september 2012
<b>(A)141218-CDC-1393</b>	Avis sur le projet d'arrêté royal portant modification de l'arrêté royal du 24 mars 2003 fixant les modalités de la cotisation fédérale destinée au financement de certaines obligations de service public et des coûts liés à la régulation et au contrôle du marché de l'électricité et de l'arrêté royal du 2 avril 2014 fixant les modalités de la cotisation fédérale destinée au financement de certaines obligations de service public et des coûts liés à la régulation et au contrôle du marché du gaz naturel
<b>(A)141218-CDC-1394</b>	Avis relatif au projet d'arrêté royal imposant des conditions de prix et de fourniture pour l'approvisionnement en 2015 du réglage tertiaire par différents producteurs

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