

## **Febeliec answer to the CREG consultation on its draft decision (PRD)2526 on the formal requirements for a request for derogation from the intermediate maximum price within the framework of the capacity remuneration mechanism**

Febeliec would like to thank the CREG for this consultation the formal requirements for a request for derogation from the intermediate maximum price within the framework of the capacity remuneration mechanism.

Febeliec most strongly would like to oppose a consultation with a response time of only one week. While Febeliec understands that the CREG considers the modifications to be minor, too many consultations in the last few years have seen durations of less than the minimum period according to the internal CREG guidelines for consultations. A consultation of one week is for Febeliec a very worrying precedent, as such duration is grossly insufficient to draft an opinion and allow for a thorough internal discussion with members and other stakeholders in order to provide a valuable input. Febeliec is most strongly of the opinion that either a consultation receives the required attention, including a sufficiently long duration, or that the issuing party does not hold a consultation and takes full responsibility for such approach. Dialogue with and consultation of stakeholders is, with good reason, a very central part of the regulatory decision making process and should thus in principle not be jeopardized, and for that reason Febeliec thus opposes the chosen approach by CREG and in particular the dangerous precedent that has been set.

On the content of the consultation at hand, Febeliec has no fundamental objections but insists that a derogation from the intermediate maximum price cap should not be granted lightly and that all constituting elements should be duly assessed, as a derogation will undeniably lead to a cost increase of the CRM for consumers and thus impact the lowest possible cost criterion if not applied with great care. Under this reasoning, Febeliec could agree with the proposed limitation of the acquisition costs for electricity which can be included in the request for derogation, but asks that this element, as well as other elements of a request for derogation, are duly scrutinized by the regulator.

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*Febeliec represents industrial energy consumers in Belgium. It strives for competitive prices for electricity and natural gas for industrial activities in Belgium, and for an increased security of energy supply. Febeliec has as members 5 business associations (Chemistry and life sciences, Glass, pulp & paper and cardboard, Mining, Textiles and wood processing, Brick) and 42 companies (Air Liquide, Air Products, Aluminium Duffel, Aperam, ArcelorMittal, Arlanxeo Belgium, Aurubis Belgium, BASF Antwerpen, Bayer Agriculture, Beaulieu International Group, Borealis, Brussels Airport Company, Covestro, Dow Belgium, Etex, Evonik Antwerpen, Glaxosmithkline Biologicals, Google, Ineos, Infrabel, Inovyn Belgium, Janssen Pharmaceutica, Kaneka Belgium, Kronos, Lanxess, LCL, Nippon Gases Belgium, Nippon Shokubai Europe, NLMK Belgium, Nyrstar Belgium, Oleon, Pfizer, Proxiiums, Sol, Solvay, Tessenderlo Group, Thy-Marcinelle, Total Petrochemicals & Refining, UCB Pharma, Umicore, Unilin, Vynova and Yara). Together they represent over 80% of industrial electricity and natural gas consumption in Belgium and some 230.000 industrial jobs.*