

Public consultation 2725 - Draft decision on Certification of Fluxys Hydrogen NV – Febeliec reaction

Febeliec thanks the CREG for the opportunity to respond to this draft decision.

Febeliec has no fundamental objections to the proposed decision but would like to make the following comments:

1. Febeliec understands the legal obligation (art. 9.4 §4 of the Hydrogen Law) imposed on the CREG to take a decision on the certification request within 60 days after the deadline for applications. At the same time, Febeliec invites the CREG to consider the possible legal uncertainty should the federal Hydrogen Law be considered uncompliant with either the Belgian Constitution and/or the European legal framework (“Gas Package”). Febeliec strongly insists that such non-compliance must not lead to additional costs for the Belgian consumers of natural gas or hydrogen and invites the CREG to introduce the necessary provisions in its final decision to avoid this.
2. Febeliec insists on the need to align the development of the future hydrogen grid to the real needs of the future hydrogen market. Cost of grid development in the early stages can be particularly high, and a balance needs to be found between the high early investment costs and the limited number of grid users and/or low volumes to cover grid tariffs in the early stage of development.
3. Febeliec fully supports the “*full ownership unbundling*” model chosen for the Belgian HNO in the Hydrogen Law. Febeliec insists, though, on the need to avoid cross-subsidies between the users of Fluxys’ natural gas grid and the users of the future hydrogen grid. In several modalities of Fluxys Hydrogen’s proposal, more clarification is needed on this aspect, e.g.
 - The remuneration Fluxys Hydrogen will have to pay for the different types of services that will be delivered by other entities of the Fluxys group
 - The price at which assets will be transferred to Fluxys Hydrogen by other entities of the Fluxys Group
 - The decision processes within the different entities of the Fluxys groupFebeliec underlines the need to avoid cross-subsidies in all these processes and transactions.
4. Febeliec insists on the need to clearly define the required hydrogen quality to be transported in the future grid as early as possible in the hydrogen grid development process.
5. Febeliec strongly invites Fluxys Hydrogen to work out a clear approach to the cooperation with operators of existing hydrogen infrastructure.

Kind regards,

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on behalf of Febeliec vzw/asbl

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Febeliec represents the industrial consumers of electricity and natural gas in Belgium.

Febeliec represents corporate energy consumers in Belgium for whom energy is a significant component of production costs and a key factor of competitiveness. Febeliec strives for competitive prices for electricity and natural gas for its members, and for more security of energy supply in the context of the energy transition. Febeliec’s members are 5 sector federations and more than 40 companies from various sectors (chemistry and life sciences, petroleum products, glass, pulp & paper and cardboard, mining, textiles and wood processing, brick, non-ferrous metals, steel, transportation, construction materials, data centers, telecommunications). Together they represent some 80% of industrial electricity and natural gas consumption in Belgium and 225.000 jobs (www.febellec.be).

