

Market Expansion to the Nordic markets

Summary

In the course of Q4 2019, ECC will offer clearing services for the EPEX SPOT Day-Ahead Auction and Intraday Continuous products on the Danish, Finnish, Norwegian and Swedish markets.

This enhancement happens in line with EPEX SPOT's plans to launch trading in the Nordic region. EPEX SPOT will extend its trading offer to new market areas in the framework of the Guideline on Capacity Allocation and Congestion Management (CACM), which enables power exchanges to operate markets outside of their historical home markets.

This Clearing Circular provides details on the changes resulting from the launch of products in the Nordic markets. Further information will be provided in due course. In the meantime, please do not hesitate to contact us should you need further information.

Contact

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Important information

To prepare the launch of local products in the Nordic markets in the course of Q4 2019, we would like to provide you with information on a number of changes that will impact you as of go-live.

Settlement Process

Product Setup and Physical Settlement

New product groups will be used within the ECC clearing system (SMSS) and nominations by ECC for Day-Ahead and Intraday hourly contracts:

- a) Hourly Contracts on Power in Closed Auction Trading (EUR)

Name	ECC Product Group
Danish Power Day-Ahead – Energinet DK1	EPEX_ST_POWER_DK1
Danish Power Day-Ahead – Energinet DK2	EPEX_ST_POWER_DK2
Norwegian Power Day-Ahead – Statnett 1	EPEX_ST_POWER_NO1
Norwegian Power Day-Ahead – Statnett 2	EPEX_ST_POWER_NO2
Norwegian Power Day-Ahead – Statnett 3	EPEX_ST_POWER_NO3
Norwegian Power Day-Ahead – Statnett 4	EPEX_ST_POWER_NO4
Norwegian Power Day-Ahead – Statnett 5	EPEX_ST_POWER_NO5
Swedish Power Day-Ahead – Svenska kraftnät 1	EPEX_ST_POWER_SE1
Swedish Power Day-Ahead – Svenska kraftnät 2	EPEX_ST_POWER_SE2
Swedish Power Day-Ahead – Svenska kraftnät 3	EPEX_ST_POWER_SE3
Swedish Power Day-Ahead – Svenska kraftnät 4	EPEX_ST_POWER_SE4
Finnish Power Day-Ahead – Fingrid	EPEX_ST_POWER_FIN

b) Hourly Contracts on Power in Continuous Trading (EUR)

Name	ECC Product Group
Danish Power Intraday – Energinet DK1	EPEX_IT_POWER_DK1
Danish Power Intraday – Energinet DK2	EPEX_IT_POWER_DK2
Norwegian Power Intraday – Statnett 1	EPEX_IT_POWER_NO1
Norwegian Power Intraday – Statnett 2	EPEX_IT_POWER_NO2
Norwegian Power Intraday – Statnett 3	EPEX_IT_POWER_NO3
Norwegian Power Intraday – Statnett 4	EPEX_IT_POWER_NO4
Norwegian Power Intraday – Statnett 5	EPEX_IT_POWER_NO5
Swedish Power Intraday – Svenska kraftnät 1	EPEX_IT_POWER_SE1
Swedish Power Intraday – Svenska kraftnät 2	EPEX_IT_POWER_SE2
Swedish Power Intraday – Svenska kraftnät 3	EPEX_IT_POWER_SE3
Swedish Power Intraday – Svenska kraftnät 4	EPEX_IT_POWER_SE4
Finnish Power Intraday – Fingrid	EPEX_IT_POWER_FIN

Financial Settlement

Financial settlement will be performed in Euro currency for all contracts on all spot markets.

Trading Limits

The new products will be included in the respective financial trading limits for Day-Ahead Auction trading and Intraday Continuous trading. Trading participants are requested to contact their Clearing Members (CM) in case limit adjustments are required. Please contact limits@ecc.de for further information.

Margining

Exposures will be included in the time series of exposures used for daily calculation of the Spot Initial Margin (IMSM) and will also be included in the Current Exposure Spot Market (CESM). They will be netted with exposures from all other spot market transactions providing full cross-margining effects across all cleared spot venues of ECC. The margin requirement is listed in the report “Daily Margin” (cc750) and will be contained in the margin classes “IMSM” and “CESM”.

Member Readiness

Clearing Members

The ECC clearing licence for CMs already covers clearing of the new EPEX Nordic Power products.

Non Clearing Members and Direct Clearing Participants admission

ECC will inform Non Clearing Members and Direct Clearing Participants of the admission process to follow (pre-requisites, forms, submission deadlines) in due time.