

Introduction of new EEX short-term futures contracts in the Austrian market area and additional quarterly maturities in various market areas

Summary

From 2nd **December 2019** onwards European Commodity Clearing (ECC) will provide clearing services for additional EEX power derivatives contracts, including new short-term futures contracts for the Austrian market area (EEX Phelix-AT Futures) and the extension of the tradable quarterly maturities for Italian, French and Spanish Power Futures.

This Clearing Circular contains information regarding the product setup, the clearing and settlement processes as well as the preconditions for participation.

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Product Setup

The new EEX derivatives contracts and extended tradable maturities will be set up as follows within the ECC clearing system:

Product ID	Name	SMSS Product Group
Introduction of new Power Futures (available for order book trading and trade registration)		
AB01-AB34 / AP01-AP34	Phelix-AT Power Base / Peak Day Futures	EEX_FT_POWER_DWE_AT
AWB1-AWB5 / AWP1-AWP5	Phelix-AT Power Base / Peak Weekend Futures	EEX_FT_POWER_DWE_AT
ATB1-ATB5 / ATP1-ATP5	Phelix-AT Power Base / Peak Week Futures	EEX_FT_PHELIX_D/A
Extension of Power Quarter Future maturities from 7 to 11 (available for order book trading and trade registration)		
F7BQ / F7PQ	French Power Base / Peak Quarter	EEX_FT_FEFIDX RTE
FDBQ / FDPQ	Italian Power Base / Peak Quarter	EEX_FT_POWER_IT
FEBQ	Spanish Power Base Quarter	EEX_FT_POWER_ES

Detailed information on the respective product setup is provided in the EEX Contract Specifications, the ECC Clearing Specification and in the ECC Contract Detail File, which are available for download on the EEX and ECC website.

Clearing Process

Registration of transactions for clearing

The transactions concluded on EEX will be imported into the EUREX C7 clearing system and integrated into the standard clearing processes for derivative contracts. Transactions are included in the EUREX data streams and in the EUREX reports. In addition, the transactions can be retrieved via ECC Member Area after 9:30 am CET on the next ECC business day.

The transactions are processed in the ECC settlement system SMSS for invoicing purposes using the product groups mentioned above.

Financial settlement

All products are settled financially in EUR. For the open positions at the end of each ECC business day a variation margin is calculated using the settlement prices obtained from EEX. The daily

settlement prices are published in the EUREX system at approximately 7:00 pm CET on each ECC business day.

Margining

For open positions an initial margin will be calculated according to ECC's standard methodology (SPAN¹). Margin parameters are updated and published daily in the SPAN parameter file on the ECC website.

The initial margin requirements will be reported in the SPAN margin class in the EUREX Report CC750 Daily Margin.

Fees and Invoicing

The following clearing fees will be charged for the new short term Power Futures according to the ECC Price List:

Transaction	ECC Clearing Fee (in € per MWh)
Derivative trades in EEX Phelix-AT Power Base/Peak Day and Weekend Futures	0.010
Derivative trades in EEX Phelix-AT Power Base/Peak Week Futures	0.005

EMIR Reporting

Please note that EEX future and option contracts have to be reported according to EMIR Article 9. ECC's EMIR Data Reporting Services will automatically be extended to these products.

Preconditions for Participation

Clearing Member

The ECC clearing licence for Clearing Members already covers clearing of the new short term Power Futures for the Austrian market area and the extended tradable maturities of the Quarter Futures for the market areas of France, Italy and Spain.

¹ SPAN® is a registered trademark of Chicago Mercantile Exchange Inc., used herein under license. Chicago Mercantile Exchange Inc. assumes no liability in connection with the use of SPAN by any person or entity.

Non-Clearing Member

Participants who have already been admitted to participate in the above mentioned market areas will automatically be admitted to trade the new short term products for the Austrian market area and the extended tradable maturities of the Quarter Futures for the market areas of France, Italy and Spain, respectively, for these market areas.

Clearing Members are requested to check the product assignments and quantity limits for their NCMs accordingly.