

UK Delivery Risk Parameter Update in EPEX trading limit systems and DCP Limit Calculation

Summary

Due to an increase of the EEX settlement price of the UK Power Base Month Product (EEX GB Base Monthly Power Future – EEX Product Code: FUBM) above ECC's accepted threshold of 10%, the UK price independent delivery risk parameter will be adjusted within the current month. As of 17 September 2024, the trading limit systems M7 and ETS will use the updated price independent delivery risk parameter for the EPEX UK spot market. The updated parameter will also be considered in the DCP limit calculation and will be valid for the duration of the following month.

The new parameters applicable will be:

Parameter	Current	New
UK Price Independent Delivery Risk Parameter in GBP for Continuous Trading in M7 (Sell only)	78	89
UK Price Independent Delivery Risk Parameter in GBP for Auction Trading in ETS (Sell only)	111	127

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UK Price Independent Delivery Risk Parameter in GBP for DCP limit calculation (Sell only)	111	127
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All other trading limit configurations remain unchanged.

Adjustment Process

The new values for the price independent parameters applicable for all ELEXON sell trades and orders will be applicable in M7 and ETS for trading on 17 September 2024 at **16:00 CET** for the first time.

Information

The UK Price Independent Delivery Risk Parameter is used as add-on applicable for sell orders and - trades to calculate the limit utilisation during the limit period in both trading systems ETS and M7 for the clearing product groups EPEX_ST_POWER_ELEX, EPEX_IT%_POWER_ELEX for auction- and EPEX_IT_POWER_ELEX for continuous trading. Details of the limit function and the maintenance process can be found in the Risk Management Service Manual on the ECC website.

Details on the calculation of the parameters can also be found in ECC Circular 25/2023. The parameters applicable are also part of the ECC Risk Parameter File available on the ECC website.

Clearing Members are reminded to check whether defined Emergency Member Stop Limits and deposited collaterals are set sufficiently to cover a possible margin increase. Clearing Members and DCPs are asked to check whether defined trading limits and deposited collaterals for relevant auctions (EPEX_AUCTION_GBP) and continuous trading (EPEX_CONTINUOUS_GBP) are set sufficiently to cover a possible increase in limit utilisation.