

Change of expiry date for some financially settled power contracts

Background

As of now for financially settled monthly power contracts in delivery, the situation can occur that the final settlement price is not yet available on the expiry date of respective future contract. This ultimately leads to complexities such as variation margin corrections and special initial margin treatments.

Change to current procedure

ECC plans to abolish the need for this special treatment by shifting the expiry date in these calendric constellations to the next ECC business day which is in the upcoming month. By this, no variation margin correction nor special initial margin handling is necessary anymore for this use case.

Example

The below example explains the change for some fictional contracts FZBM062024 and FZBM082025. The change will be applicable to further instruments though. The first contracts that will be affected are the August 2025 expiries. The respective contract detail file will also be updated to reflect these changes.

Example ID	Product	Last Trading Date	Expiry Date	Last Delivery Date	Settlement Day ECC
<i>Before the change</i>					
Ex 01	FZBM 06 2024	2024-06-28 (Fr)	2024-06-28 (Fr)	2024-06-30 (Su)	2024-07-01 (Mo)
Ex 02	FZBM 08 2025	2025-08-29 (Fr)	2025-08-29 (Fr)	2025-08-31 (Su)	2025-09-01 (Mo)
<i>After the change</i>					
Ex 01	FZBM 06 2024	2024-06-28 (Fr)	2024-07-01 (Mo)	2024-06-30 (Su)	2024-07-01 (Mo)
Ex 02	FZBM 08 2025	2025-08-29 (Fr)	2025-09-01 (Mo)	2025-08-31 (Su)	2025-09-01 (Mo)

Implementation and effects

Please note: The shift of the expiry date might lead to a situation where two contracts expire within the same month. However, from an implementation point of view only the expiry date will be moved to the first business/trading day after the delivery periods end; and as a consequence, the first trading day of the subsequently generated contract will be moved accordingly by one day. All other contract parameters will stay the same, no further change of reference data is conducted. Please note further that this change is only applicable for monthly contracts. Day and Weekend contracts are not affected by this change.

Affected products

All financially settled current and future Power Base & Peak Month Futures from EEX and HUDEX. A dedicated overview will be made available by an update on ECCs Contract Detail File.

Go-Live and Follow-Up Communication

The go-live of this change is planned for Q2 2025. ECC will inform about the progress of this change in due time.

For question and remarks please refer to: clearing@ecc.de

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