



one clear connection

▶ **ECC Clearing Circular 29/2016 | 2016-06-20**

POWERNEXT-CEGH Cooperation

Summary

POWERNEXT SA and Central European Gas Hub AG (CEGH) have signed an agreement under which the Austrian CEGH Gas Exchange products will be offered via the PEGAS platform and operated under the Powernext rulebook from **end of 2016 onwards** (subject to competition and regulatory approvals).

This circular contains information regarding the operational impact on clearing at ECC.

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Powernext and CEGH have signed an agreement to jointly develop the Austrian as well as the Central and Eastern European (CEE) gas markets. In the context of this cooperation, CEGH spot and futures contracts will be listed on the PEGAS platform and operated under the Powernext rule-book. The cooperation is subject to competition and regulatory approvals. ECC remains the central counterparty for all transactions.

Spot Contracts

The respective ECC product groups will change as follows as of the transition date which will be communicated in due time:

	Product group before transition	Product group after transition
Spot contracts	CEGH_ST_NATGAS_CEGH	PWX_ST_NATGAS_CEGH
Within-day / Next hour contracts	CEGH_IT_NATGAS_CEGH	PWX_IT_NATGAS_CEGH

Futures Contracts

There will be no change of the ISIN code or the Eurex short code.

	ISIN code before and after transition	Eurex short code before and after transition
Month futures	AT0000A17YV5	G8BM
Quarter Futures	AT0000A17YS1	G8QM
Season Futures	AT0000A17YT9	G8SM
Year Futures	AT0000A17YU7	G8YM

Admission

The current CEGH Gas Exchange members will need to get admitted to Pownext through a simplified membership process. All affected members will be informed directly in due time.

All ECC documents and the ECC admission status of all affected members will be checked and monitored by ECC's Member Readiness team working closely together with both, CEGH and Pownext.

Members who are not yet admitted for trading natural gas at CEGH or Pownext have to complete the standard admission process with Pownext. Members already admitted at Pownext and interested in trading the CEGH gas products need to provide the respective admission form to ECC which will be available soon on ECC's website.

Open Interest

Subject to the regulatory approval, it is envisaged that open interest at ECC currently allocated to CEGH gas products will be converted into Pownext gas products.

Please note that without a processed admission at Pownext, members will have no possibility to further manage their positions in former CEGH gas derivatives. ECC reserves the right to request a close-out of such position under its sole distinction at a later stage.

Invoicing

The invoicing of ECC clearing fees remains unchanged except for the above mentioned adjustments to the product group naming which are reflected in the invoices as well. VAT treatment will be identical to the situation before the transition.

Margining

Since ECC continues to operate as clearing house for all affected products there will be no changes to margining.

Trade Reporting for Derivatives

The transfer of the respective products to Pownext will be reflected in a change of the MIC code to "XPOW" in the reported transactions and positions.

Physical Settlement

Physical settlement procedures are not affected and remain unchanged.

Further Details on the admission process, on operational impacts and the timeline will be provided in due time.