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► **ECC Clearing Circular 23/2017 | 2017-07-20**

Enhancements of EEX Power Market

Summary

From **21 September 2017** onwards ECC will offer clearing services for EEX PXE Czech and Hungarian Financial Power Week Futures.

In response to market demand, EEX will further extend the Phelix product suite by adding Phelix-DE Weekend contracts and introducing Phelix-AT non-MTF contracts.

Additionally, ECC will offer extended clearing services for EEX Month Options for Phelix-DE contracts. The tradeable expiries increase from the next 5 to next 8 months.

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

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Product Setup

The EEX PXE Week Futures offered at EEX for order book trading and trade registration will be setup as follows within the ECC clearing system:

Product ID	Name	SMSS Product Group
FXB1 – FXB5	PXE Czech Financial Power Base Week Future	EEX_FT_POWER_CZ
FXP1 – FXP5	PXE Czech Financial Power Peak Week Future	
F9B1 – F9B5	PXE Hungarian Financial Power Base Week Future	EEX_FT_POWER_HU
F9P1 – F9P5	PXE Hungarian Financial Power Peak Week Future	

The EEX Phelix-DE Weekend Futures offered at EEX for order book trading and trade registration will be setup as follows within the ECC clearing system:

Product ID	Name	SMSS Product Group
DWB1 – DWB5	Phelix-DE Base Weekend Future	EEX_FT_PHELIX_D/A
DWP1 – DWP5	Phelix-DE Peak Weekend Future	

The EEX Phelix-AT Futures offered at EEX non-MTF Phelix-AT market venue (available for order book trading and trade registration) will be setup as follows within the ECC clearing system:

Product ID	Name	SMSS Product Group
N3BM	Phelix-AT Base Month (non-MTF) Future	EEX_FT_POWER_APG_NM
N3BQ	Phelix-AT Base Quarter (non-MTF) Future	
N3BY	Phelix-AT Base Year (non-MTF) Future	
N3PM	Phelix-AT Peak Month (non-MTF) Future	
N3PQ	Phelix-AT Peak Quarter (non-MTF) Future	
N3PY	Phelix-AT Peak Year (non-MTF) Future	

For the purpose to facilitate the physical settlement of EEX Phelix-AT (non-MTF) Futures the following BoM (Balance of the Month) Futures will be setup within the ECC clearing system:

Product ID	Name	SMSS Product Group
A0BM	Phelix-AT Phys Base Month Future	EEX_FE_POWER_APG
A0PM	Phelix-AT Phys Peak Month Future	

The Phelix-AT Phys Futures will only be used when the physical settlement is requested.

The EEX Phelix-DE Month Options offered at EEX for Order book trading and trade registration will be setup as follows within the ECC clearing system:

Product ID	Name	Delivery periods
O2BM	Phelix-DE Base Month Option	The respective next 8 months

Detailed information on the product setup is provided in the ECC Clearing Specification and in the ECC Contract Detail File, which are available for download on the [ECC website](#).

Clearing Process

Registration of transactions for clearing

The transactions concluded on EEX will be imported into the EUREX 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 as usual. 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 open positions and new transactions a variation margin is calculated on every ECC business day. The settlement prices required to this end are determined by EEX in the product currency EUR and published in the EUREX system at approximately 7:00 pm CET.

In case of a physical settlement via EEX Power Futures – this applies only for EEX Phelix-AT (non-MTF) Futures – the related financial settlement during the delivery month will take place according to the BoM processing; details of the financial settlement are stated in EEX BoM Cascading File available for download on the [ECC website](#).

Physical Settlement

To comply with the framework of a non-MTF product, which can be physically settled, a fulfilment option exists for both, the market participant as well as ECC. Consequently, the physical fulfilment of an EEX Phelix-AT (non-MTF) Futures contract can either be triggered by the member, using a fulfilment request within the ECC Member Area for a specific product and maturity or by ECC, thus a third party request, which will be matched by means of a random selection procedure. Details of the procedure can be found on the [ECC website](#).

If the fulfilment option results in physical delivery, the delivery is technically carried out by a position transfer from the non-MTF product into the respective physical fulfilment product. These physical fulfilment products are setup as the BoM (Balance of the Month) contracts; details on contract erosion are available in EEX BOM Cascading File available for download on the [ECC website](#).

In case of physical fulfilment the delivery is integrated into the regular delivery processes

ECC Delivery Account	Market Area	Nomination Method
20X-LU003-ECC--S	Austrian Power Grid	Double Side Nomination with Priority Rule of ECC

Margining

For open positions in all new products Initial Margin will be calculated daily according to ECC's standard methodology.

The non-MTF Futures will be included in ECC's Cross Margining using the same combined commodity as the respective regulated market futures allowing a 100% offset between regulated market and non-MTF products except for contracts in delivery.

Margin parameters are updated and published daily in the SPAN¹ parameter file on the [ECC website](#). The margin requirements will be reported in the SPAN margin class in the EUREX Report CC050 Daily Margin.

Fees

The following fees will be charged:

Transaction	ECC Clearing Fee (in € per MWh)
Future trades in EEX PXE Czech Financial Power Week Futures	0.010
Future trades in EEX PXE Hungarian Financial Power Week Futures	0.005
Future trades in EEX Phelix-DE Weekend Futures and EEX Phelix-AT (non-MTF) Futures	0.005
EEX Phelix-AT Load Futures (ECC Lux)*	0.03

* Only applicable for the trading participants who has requested physical delivery.

Reporting

EMIR

Please note that EEX PXE Week Futures as well as EEX Phelix-DE Weekend Futures have to be reported according to EMIR Article 9. Therefore ECC's EMIR Trade Reporting service will automatically be extended to these products.

Transactions on the non-MTF venue do not fall under the reporting requirement of EMIR Art. 9.

REMIT

EEX PXE Week Futures, EEX Phelix-DE Weekend Futures and Phelix-AT (non-MTF) Futures also have to be reported according to REMIT Article 8. The REMIT Data Service for the organised

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.

market place group “EEX RM and EEX Non-MTF” will automatically be extended to these products.

Preconditions for Participation

Clearing Member

The ECC clearing licence for Clearing Members already covers the clearing of EEX PXE Week Futures, EEX Phelix-DE Weekend Futures and EEX Phelix-AT (non-MTF) Futures.

Non-Clearing Member

Participants who have already been approved for participation in EEX Financial Power Futures will be approved for trading of EEX PXE Week Futures in case the respective Clearing Member provides its accordance.

Participants who have already been approved for participation in EEX Phelix-DE/AT Futures will be approved for trading of EEX Phelix-DE Weekend Futures Futures in case the respective Clearing Member provides its accordance.

Participation in trading of EEX Phelix-AT (non-MTF) Futures requires an application for recognition as a trading participant with own or third-party balancing agreements (TP_EEX_01a or TP_EEX_01b). Furthermore, a respective contract between the Trading Participant and the TSO is required.

The corresponding forms are available for downloading on the [ECC website](#).