

## **RAEWW ENERGY SECTOR DECISION NO. E-49/2024**

### **Approval of the first amendment of Product Specifications in the Gas Trading Platform in accordance with the provisions of subsections 4.2 and 4.4.3.4 of the Rulebook for the Natural Gas Trading Platform**

#### **The Energy Sector of the Regulatory Authority for Energy, Waste and Water**

At the regular meeting, at the Authority's headquarters in Athens, on the 29<sup>th</sup> February 2024, and

#### **Taking into account:**

1. The Law 5037/2023 "*Renaming of the Regulatory Authority for Energy (RAE) to Regulatory Authority for Energy, Waste, and Water (RAEWW) and expanding its scope with responsibilities over water services and municipal waste management, enhancing water policy - Modernization legislation on the use and production of electrical energy from renewable sources through the incorporation of EU Directives 2018/2001 and 2019/944 - Specific provisions for renewable energy sources and environmental protection*" (Government Gazette A' 78) as amended by Law 5043/2023 "*Regulations relating to the Local Authorities of first and second degree - Provisions for the welfare of companion animals - Provisions for the human resources of the public sector - Other regulations of the Ministry of Interior and other urgent provisions*" (Government Gazette A' 91) and in particular the provisions of article 121 thereof.
2. The provisions of Law 4001/2011 on the "*Operation of the Electricity and Natural Gas Energy Markets for research, production and hydrocarbons transport networks and other provisions*" (Government Gazette A' 179).
3. The provisions of Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 on concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC (EU L 211/14.8.2009).
4. Regulation (EU) no. 312/2014 of the Commission of 26 March 2014 establishing a network code for the balancing of natural gas loads in transmission networks (EU L 91/27.03.2014) (hereinafter referred to as "Regulation 312/2014").
5. The provisions of Chapter C' "*Provisions of Competence of the Ministry of Environment and Energy*" of Law 4425/2016 "*Urgent regulations of the Ministries of Finance, Environment and Energy, Infrastructure, Transport and Networks and Working, Social Security and Social Solidarity, of the agreement on fiscal targets and structural reforms and other provisions*"

(Government Gazette A' 185/30.09.2016), as in force, and particularly the provisions of article 19.

6. The Decision under item No. Δ1/A/5346/22.03.2010 of the Deputy Minister of Environment, Energy and Climate Change on "Network Code of National Natural Gas System" (Government Gazette B' 379/2010) (hereinafter, the "NNGS Network Code"), as amended by RAE decisions No. 1096/2011 (Government Gazette B' 2227), 526/2013 (Government Gazette B' 3131), 239/2017 (Government Gazette B' 1549 & B' 2159), 123/2018 (Government Gazette B' 788), 1005/2019 (Government Gazette B' 4088), 727/2020 (Government Gazette B' 1684), 1035/2020 (Government Gazette B' 2840), 1400/2020 (Government Gazette B' 4585), 1433/2020 (Government Gazette B' 4799 & B' 5078), 735/2021 (Government Gazette B' 4687), 1060/2021 (Government Gazette B' 37), 590/2022 (Government Gazette B' 4270), 645/2022 (Government Gazette B' 4269), 748/2022 (Government Gazette B' 5176), 771/2022 (Government Gazette B' 5576), 822/2022 (Government Gazette B' 69 Decisions of RAE and E-143 Decision (Government Gazette B' 5773) of RAEWW.
7. The RAE Decision no. 61/2022 on "Approval of the Rulebook for the Natural Gas Trading Platform of the Energy Exchange, in accordance with the provisions of article 19 of law 4425/2016 (Government Gazette A' 185/30.09.2016), as in force" (Government Gazette B' 336).
8. The RAE Decision no. 62/2022 on "Approval of Product Specifications in the Natural Gas Trading Platform of the Hellenic Energy Exchange, in accordance with the provisions set forth in the subsections 4.2.2 to 4.2.8 and 4.4.3.4 of the Natural Gas Trading Platform Rulebook" (Government Gazette B' 584).
9. The document of HEnEx under item 1829/13.11.2023 (RAE I-361885/13.11.2023) on "*Proposal for the amendment of RAE Decision No. 62/2022 regarding the conduct of scheduled auctions after the end of the Standard Trading Session in HEnEx's Natural Gas Trading Platform*".
10. The public consultation conducted by RAEWW between 05.12.2023 - 15.12.2023, regarding the amendment of RAE<sup>1</sup> Decision No. 62/2022 and its results<sup>2</sup>.
11. The fact that the regulatory decisions of RAEWW are published in the Government Gazette, in accordance with the provisions of article 32 par. 1 Law 4001/2011.
12. The Law 3861/2010 "Enhancing transparency with the mandatory posting of laws and acts of government, administrative, and self-governing bodies on the Internet "Transparency Program" and other provisions" (Government Gazette A' 112), and in particular the provision of Article 2 case 4 thereof.
13. The fact that this decision does not impose a burden on the state budget.

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<sup>1</sup> <https://www.rae.gr/diavoulefseis/74258>

<sup>2</sup> <https://http://www.rae.gr/diavoulefseis/80127>

### Thought as follows:

**Since**, according to article 19 of law 4425/2016 (relevant 5) RAE approves the operating conditions of the Natural Gas Markets as: *“1. The Energy Exchange, which operates in accordance with the provisions of Subchapter B of this law, may operate Natural Gas Markets as well as Environmental Markets. The operation of the Natural Gas Markets as well as the Environmental Markets requires approval by RAE applying the provisions of articles 11, 12, 13 and 14 of this law. 2. By decision of RAE, the terms and conditions of operation of the Natural Gas Markets as well as the Environmental Markets may be specified. By the same decision, the terms of operation of the Balancing Markets on natural gas and on the products traded in the Environmental Markets may be specified, within the framework of the provisions of the current legislation and the Union law.”*

**Since**, with the RAE Decision 61/2022 (relevant 7) the Rulebook for the Natural Gas Trading Platform of the Energy Exchange was approved, according to article 19 of law 4425/2016.

**Since**, with the RAE decision 62/2022 (relevant 8), the product specifications were approved in the Natural Gas Trading Platform of the Hellenic Energy Exchange in accordance with the provisions set forth in the subsections 4.2.2 to 4.2.8 and 4.4.3.4 of Natural Gas Trading Platform Rulebook.

**Since**, according to the abovementioned Decision, two trading periods are distinguished on Natural Gas Trading Platform:

- (a) The Standard Trading Session (from 08:00 CET to 18:00 CET).
- (b) The Extended Trading Session (from 07:00 CET of a calendar day until 01:30 CET of the following calendar day).

**Since**, regarding the trading methods on the Trading Platform, RAE's Decision 62/2022 (relevant 8) provides for two trading methods as follows:

- a) continuous daily trading, from 08:30 CET to 18:00 CET, unless the process of auction is activated upon request of the National Natural Gas Transmission System Operator (NNGS Operator - DESFA) and
- b) exclusively upon request of the NNGS Operator, the conduct of auctions daily at the beginning of the Gas day (from 08:00 CET to 08:30 CET) and the conduct of auctions from 07:00 CET of the calendar day to 01:00 CET of the following calendar day, during the first thirty (30) minutes of the respective hour following the announcement of the Auction (e.g. 07:00-07:30, 09:00- 09:30, ..., 01:00-01:30). Announcements are made by the HEnEx at least thirty (30) minutes before the commencement of the announced auction, following a relevant request of National Natural Gas Transmission System Operator (DESFA).

**Since**, by the relevant 9 the Hellenic Energy Exchange (HEnEx) proposed the amendment of RAE's Decision No. 62/2022 regarding the product specifications on the Natural Gas Trading Platform, specifically concerning the process for conducting the automated auctions, by introducing a new category of auctions, the Scheduled Auctions.

**Since**, the amendments proposed by HEnEx consist more specifically of the following:

- a) Introducing Scheduled Auctions for the four trading series, one at the start of the Standard Trading Session (08:00 CET to 08:30 CET) and eight after its conclusion, until the end of the Extended Trading Session. In Scheduled Auctions, any interested participants may take part without the necessity for the process to be initiated by the NNGS Operator or for its participation. If the NNGS Operator participates, a relevant announcement will be made to inform participants on the Natural Gas Trading Platform.
- b) Maintaining the right of the NNGS Operator to initiate Announced Auctions from 07:00 to 07:30 CET and every hour from 09:00 to 18:00 CET.

**Since**, RAEWW submitted the aforementioned proposal of HEnEx for public consultation, during which no comments were submitted (relevant 10).

**Since**, in formulating its decision, RAEWW has thoroughly reviewed the recommendation of the HEnEx (relevant 9). The proposal for conducting Scheduled Auctions after the conclusion of the Standard Trading Session on the Natural Gas Trading Platform is deemed reasonable, as these auctions will be conducted without requiring the participation of the NNGS Operator, ensuring that all participants on the Trading Platform acquire the right to trade gas volumes even after the end of the continuous trading period, in order to optimize their portfolio.

**Since**, the improvement of the balancing position of the participants in the Trading Platform will positively impact the operation of the gas system by reducing the balancing needs of the NNGS Operator required in order to maintain the transmission network within its operational limits, on a daily basis. Consequently, the benefits for the system will be both operational and economic.

**Since**, as reflected in HEnEx's proposal, the NNGS Operator agrees with the recommendations of the Hellenic Energy Exchange. According to the HEnEx's proposal, following the approval of the proposed amendment concerning the products' specifications on the Natural Gas Trading Platform, the Annex to the Trading Platform Agreement between HEnEx S.A. and the NNGS Operator, which includes provisions for the cooperation between HEnEx and DESFA regarding the auctions in the HEnEx's Natural Gas Trading Platform, will be accordingly amended.

**Since**, within the scope of its duties, RAEWW monitors and supervises the operation of the natural gas market. For this purpose, it evaluates the data it receives from HEnEx and DESFA regarding the operation of the Trading Platform, in order to implement amendments to the regulatory framework whenever deemed necessary. Specifically, for trading product, the Authority decides, following HEnEx's proposal, on the introduction or discontinuation of a product, as well as on modifications to the characteristics of an available product.

**For all above reasons,**

**Decides:**

1. The approval of the first amendment of the Product Specifications in the Natural Gas Trading Platform, in accordance with the content of the Annex to this Decision, which forms an integral part thereof, and in accordance with the provisions of section 4.2 and subsection 4.4.3.4 of the Natural Gas Trading Platform Rulebook.
2. The commencement of the aforementioned amendments with the determination by RAEWW of the technical readiness of HEnEx S.A., following its relevant proposal, and the announcement of this date on the official website of RAEWW for the information of the participants of the natural gas market.
3. The submission to RAEWW of the updated Trading Platform Agreement between HEnEx S.A. and the NNGS Operator as it will be finalized pursuant to this Decision.
4. The announcement of this decision to the company "Hellenic Energy Exchange S.A.".
5. The posting of this Decision on the official website of RAEWW and its publication in the Government Gazette.

Athens, 29 February 2024

The Vice-Chairman of the  
RAEWW Energy Sector

Dimitrios Fourlaris

## Annex

### “Product Specifications in the Gas Trading Platform of HEnEx”

#### Scope

This Proposal defines the following:

- a. The trading sessions of the Trading Platform;
- b. The specifications of the Products;
- c. The calculation methodologies of the Starting and Closing prices of each Contract;
- d. The calculation of the HEnEx Natural Gas Spot Indices.

### Article 1 Product Specifications

<b>Product Type</b>	Title Product
<b>Product Code</b>	<b>GRGDyymmdd</b> where <b>GR</b> : Virtual Trading Point of National Natural Gas Transmission System (Greece), <b>G</b> : Natural Gas, <b>D</b> : Daily Product and <b>yymmdd</b> the Gas Day during which the Natural Gas will be delivered.
<b>Product and available series</b>	Daily Product with a Gas Day Delivery Period, which consists of <ul style="list-style-type: none"> <li>• A trading series for the current Gas Day (Within Day series)</li> <li>• Three trading series for the next three Gas Days (Day Ahead series).</li> </ul>
<b>Underlying</b>	Natural Gas with physical delivery obligation, at the Virtual Trading Point (VTP) of the National Natural Gas Transmission System (NNGTS), in accordance with the terms and the conditions of the Network Code of NNGS.
<b>Place of Delivery</b>	The Virtual Trading Point of the National Natural Gas Transmission System.
<b>Trading Session</b>	<p><b>Standard Trading Session</b></p> <p>Daily (including working days, weekend days and holidays) 08:00 CET to 18:00 CET</p> <p><b>Extended Trading Session</b></p> <p>Daily (including working days, weekend days and holidays) 07:00 CET to 01:30 CET (of the following calendar day)</p>
<b>Trading Methods and Trading Hours</b>	<b>Trading Method 1 (Automatic and continuous trading - Continuous trading)</b>

	<p>Daily, from 08:30 CET to 18:00 CET, except when Trading Method 2 is activated.</p> <p><b>Trading Method 2 (Automatic and instant trading - Auction)</b></p> <p>Scheduled Auctions: Daily, from 08:00 CET to 08:30 CET and after the conclusion of the Standard Trading Session from 18:00 CET to 01:30 CET of the following calendar day, during the first thirty (30) minutes of the respective hour following the announcement of the Auction (e.g. 18:00-18:30, ..., 01:00-01:30).</p> <p>Announcements regarding DESFA's participation in Scheduled Auctions shall be made by HEnEx at least thirty (30) minutes prior to the commencement of the Scheduled Auction, upon request of the NNGS Operator (DESFA).</p> <p>Announced Auctions: From 07:00 CET to 07:30 CET and from 09:00 CET to 17:30 CET, during the first thirty (30) minutes of the respective hour following the announcement of the Auction (e.g. 09:00-09:30, 10:00-10:30, ... , 17:00-17:30), upon request of the NNGS Operator (DESFA).</p> <p>Announcements for the performance of Announced Auctions shall be made by HEnEx at least thirty (30) minutes prior to the commencement of the Announced Auction, upon request of the NNGS Operator (DESFA).</p> <p>The period concerning the random time of subsection 4.4.3.4 of the Rulebook (RTP: Random Time Period) for the above Call Auctions is set to one (1) minute.</p> <p><u>Automatic</u>: Automatic activation for the purposes of the Automatic Volatility Interruption Mechanism as per subsection 4.6.5 of the Rulebook.</p> <p><b>Trading Method 3 (Pre-agreed trades)</b> Daily, from 08:30 CET to 18:00 CET.</p>
<b>Delivery Period</b>	Gas Day is defined as the Delivery Period. The Gas Day on which the delivery will take place is determined by the Product Code <b>yymmdd</b> (for example: GRGD220301 refers to the Title Product delivered starting on 01March 2022).
<b>Contract Volume</b>	1 MWh/d
<b>Contract Size</b>	1 MWh
<b>Minimum Quantity</b>	1 Contract
<b>Trading Unit (Lot Size)</b>	1 Contract

<b>Price Unit</b>	€/MWh with two decimals precision
<b>Price Tick</b>	0.01 €/MWh
<b>Minimum Order Price</b>	0.01 €/MWh
<b>Maximum Order Price</b>	999.99 €/MWh
<b>Settlement Currency</b>	Euro

## Article 2 Calculation of Prices

### 2.1 Auction Price

Calculated according to subsection 4.4.3.2 of the Rulebook.

In case of an Auction without a trade, no price will be calculated.

### 2.2 Starting Price

The Starting Price of each series is equal to the latest available Closing Price of the specific series. In case of unavailability of such latest Closing Price for this specific series, then the last available Closing Price of the series with the closest Delivery Period in which at least one transaction under Trading Methods 1 and 2 has taken place, is used. If there is no series that meets the above requirements, the Starting Price is taken equal to the latest available Closing Price of the series with the nearest Delivery Period. In case the calculation of the Starting Price is not feasible according to the above procedure, HEnEx determines the Starting Price considering representative reference prices of Natural Gas of relevant liquid trading platforms.

### 2.3 Reference Prices

#### 2.3.1 Closing Price (End of Day Price - EOD)

The Closing Price of each series is calculated as the weighted average of a set percentage, equal to 30%, of the daily trading volume, applying the following rules:

- 1) The Closing Price of a series is calculated from the weighted, by the volume of the trades, average of the prices of the set percentage of the trading volume during the Extended Trading Period via Order Book of this series.
- 2) At first, the set percentage of the trades is calculated in relation to their total volume. Calculation of the Closing Price begins with the last trades before the end of the Extended Trading Period continuing toward the beginning of the Extended Trading Period, until the absolute number of the trades which corresponds to the specific percentage of the trading volume, is reached and then weighting them with the price at which they have been traded.
- 3) To determine the trades that participate in the calculation of the Closing Price, the following shall apply:
  - a. The trades that participate in the calculation of the Closing Price are those concluded in the Order Book under Trading Methods 1 and 2.



- b. If no trades have been concluded for the series, the Starting Price will be used as the Closing Price.
- c. In the event that the calculation of the Closing Price results in an invalid tick size, the price is rounded to the nearest valid tick size. If the Closing Price is equidistant from two tick sizes, the price is rounded to the highest of the two.
- d. Cancelled trades do not participate in the calculation of the Closing Price.

## 2.3.2 HEnEx Gas Spot Indices (HGSI)

### 2.3.2.1 HEnEx Gas Spot Index – Day Ahead (HGSI<sub>DA</sub>)

At the end of the Standard Trading Session during each Gas Day, HEnEx determines HGSI<sub>DA</sub> as the weighted average of the prices of all trades, executed under Trading Methods 1 and 2, of the Day Ahead series D+1 (namely, of the next Gas Day) which have been executed during the Standard Trading session, weighted by their volumes. Cancelled trades are not considered.

HGSI<sub>DA</sub> is calculated according to the following formula:

$$HGSI_{DA} = \sum_{i \in I} (P_i \times Q_i) / \sum_{i \in I} Q_i$$

Where:

i: Trade index

I: Set of trades until the end of the Standard Trading Session for the Day Ahead series D+1 (of the next Gas Day).

P<sub>i</sub>: price of trade i

Q<sub>i</sub>: the total Contract Size of trade i

In the event that the calculation of the HGSI<sub>DA</sub> results in an invalid tick size, the HGSI<sub>DA</sub> is rounded to the nearest valid tick size. If the HGSI<sub>DA</sub> is equidistant from two tick sizes, the HGSI<sub>DA</sub> is rounded to the highest of the two.

If there has not been a trade in Day Ahead series D+1 until the end of the Standard Trading Session, HGSI<sub>DA</sub> is equal to the Starting Price of the Day Ahead series D+1 (of the next Gas Day).

### 2.3.2.2 HEnEx Gas Spot Index – Within Day (HGSI<sub>WD</sub>)

At the end of the Standard Trading Session during each Gas Day, HEnEx determines HGSI<sub>WD</sub> as the average weighted price of all trades, executed under Trading Methods 1 and 2, of the Within Day series which have been executed during the Standard Trading session, weighted by their volumes. Cancelled trades are not considered.

HGSI<sub>WD</sub> is calculated according to the following formula:

$$HGSI_{WD} = \sum_{i \in I} (P_i \times Q_i) / \sum_{i \in I} Q_i$$

Where:

i: Trade index

I: Set of trades until the end of the Standard Trading Session for the Within Day series

P<sub>i</sub>: price of trade i

Q<sub>i</sub>: the total Contract Size of trade i

In the event that the calculation of the  $HGSI_{WD}$  results in an invalid tick size, the  $HGSI_{WD}$  is rounded to the nearest valid tick size. If the  $HGSI_{WD}$  is equidistant from two tick sizes, the  $HGSI_{WD}$  is rounded to the highest of the two.

If there has not been a trade in the Within Day series until the end of the Standard Trading Session,  $HGSI_{WD}$  is equal to the Starting Price of the Within Day series.