



Clearing Circular 02/2024

2024-01-09

News

Physical
Settlement

Financial
Settlement

Risk
Management

Information
Technology

Launch of EEX Nordic Zonal Power Futures

Summary

From 25th March 2024 onwards, ECC will offer clearing services for new Power Futures for the individual Nordic bidding zones (Nordic Zonal Power Futures) as well as for extended expiries for the existing Nordic Power Futures (System Price)* .

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

*For clear differentiation, the Nordic Power Futures will be renamed to Nordic System Price Futures in due course.

Contact

European Commodity Clearing AG
Clearing & Settlement
Phone: +49 341 24680-444
E-mail: clearing@ecc.de

Internal

Product Setup

The new products and expiries will be set up as follows within the ECC clearing system:

New EEX Nordic Zonal Futures

EEX Short Code	Name	SMSS Product Group
EEX Norwegian Power Base Future		
1NB1 – 1NB5	EEX Norwegian NO1 Power Base Week Future	EEX_FT_POWER_NO1
1NBM, 1NBQ, 1NBY	EEX Norwegian NO1 Power Base Month, Quarter, Year Future	
2NB1 - 2NB5	EEX Norwegian NO2 Power Base Week Future	EEX_FT_POWER_NO2
2NBM, 2NBQ, 2NBY	EEX Norwegian NO2 Power Base Month, Quarter, Year Future	
3NBM, 3NBQ, 3NBY	EEX Norwegian NO3 Power Base Month, Quarter, Year Future	EEX_FT_POWER_NO3
4NBM, 4NBQ, 4NBY	EEX Norwegian NO4 Power Base Month, Quarter, Year Future	
5NBM, 5NBQ, 5NBY	EEX Norwegian NO5 Power Base Month, Quarter, Year Future	EEX_FT_POWER_NO5
EEX Swedish Power Base Future		
1SBM, 1SBQ, 1SBY	EEX Swedish SE1 Power Base Month, Quarter Year Future	EEX_FT_POWER_SE1
2SB1 - 2SB5	EEX Swedish SE2 Power Base Week Future	EEX_FT_POWER_SE2
2SBM, 2SBQ, 2SBY	EEX Swedish SE2 Power Base Month, Quarter, Year Future	
3SB1 - 3SB5	EEX Swedish SE3 Power Base Week Future	EEX_FT_POWER_SE3
3SBM, 3SBQ, 3SBY	EEX Swedish SE3 Power Base Month, Quarter Year Future	
4SB1 - 4SB5	EEX Swedish SE4 Power Base Week Future	EEX_FT_POWER_SE4
4SBM, 4SBQ, 4SBY	EEX Swedish SE4 Power Base Month, Quarter Year Future	

EEX Finnish Power Base Future		
FNBM, FNBQ, FNBY	EEX Finnish Power Base Month, Quarter, Year Future	EEX_FT_POWER_FI
EEX Danish Power Base Future		
1D01 - 1D34	EEX Danish DK1 Power Base Day Future	EEX_FT_POWER_DWE_DK1
1DW1 - 1DW5	EEX Danish DK1 Power Base Weekend Future	
1DB1 - 1DB5	EEX Danish DK1 Power Base Week Future	EEX_FT_POWER_DK1
1DBM, 1DBQ, 1DBY	EEX Danish DK1 Power Base Month, Quarter Year Future	
2D01 - 2D34	EEX Danish DK2 Power Base Day Future	EEX_FT_POWER_DWE_DK2
2DW1 - 2DW5	EEX Danish DK2 Power Base Weekend Future	
2DB1 - 2DB5	EEX Danish DK2 Power Base Week Future	EEX_FT_POWER_DK2
2DBM, 2DBQ, 2DBY	EEX Danish DK2 Power Base Month, Quarter Year Future	

Extended expiries for EEX Nordic Power Futures (System Price Futures)*

Product	Name	Tradable Maturities
EEX Nordic Power Base Futures*		
FBBQ	EEX Nordic Power Base Quarter Futures*	up to 11 Quarters
FBBY	EEX Nordic Power Base Year Futures*	up to 10 Years

Detailed information on the product setup is provided in the EEX Contract Specification and in the ECC Contract Details File.

*For clear differentiation, the Nordic Power Futures will be renamed to Nordic System Price Futures in due course.

Commented [AS1]: I'd say will be renamed "in due course"

Clearing Process

Registration of transactions for clearing

The transactions will be imported into the EUREX clearing system and integrated into the standard clearing processes for derivatives contracts. Transactions are included in the EUREX data streams and in the EUREX reports. In addition, transactions can be retrieved via the ECC Member Area after 9:30 am CE(S)T 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 respectively. For the open positions at the end of each ECC business day a variation margin is calculated using the settlement prices obtained from EEX. The settlement prices are published in the C7 system at approximately 7:00 pm CE(S)T on each ECC business day.

Initial Margining

For open positions, an initial margin will be calculated on each ECC business day according to ECC's standard methodology. Margin parameters are updated and published in the SPAN¹ parameter file on the ECC website.

The initial margin requirements will be reported in the SPAN margin class in the Report CC750 Daily Margin.

Fees and Invoicing

The following standard clearing fee applies according to the ECC price list.

Product	ECC Clearing Fees
EEX Nordic Zonal W/M/Q/Y Futures	0.005 €/MWh
EEX Nordic Zonal D/We Futures	0.010 €/MWh

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.

EMIR Reporting

Please note that EEX future contracts must be reported according to EMIR Article 9. Therefore, ECC's EMIR Data Services will automatically be extended to these products.

Preconditions for Participation

Clearing Members

The ECC clearing licence for Clearing Members already covers clearing of these futures.

Non-Clearing Members

All trading participants already admitted for the existing EEX Nordic Power Futures (System Price) will automatically receive access to the new Zonal Futures and additional expiries. Trading participants who are currently not admitted for EEX Power Derivatives, will need to submit the market extension form (A01a) and the list of enabled traders to the EEX Customer Care team.

Clients not yet active on EEX are invited to start the admissions process to become an Exchange Member or to explore options of indirect market access via one of the several market access providers to EEX Markets. Please reach out to the EEX Sales Team (sales@eex.com or +49 341 2156-555) to learn more about the possibilities and to start the onboarding process.

Please contact EEX Customer Care (membership@eex.com or +33 (0)1 70 36 33 42) or ECC Member Readiness (memberreadiness@ecc.de or +49 341 24680-261) in case of any questions regarding the admission process.

Indirect Clients

EEX Futures are available for trading and clearing without the need for direct membership. Please contact an ECC Clearing or Non-Clearing Member to discuss indirect access possibilities.