

Implementation Regulation on  
Accountability Levels for  
Commodity Derivates with  
Physical Settlement

The English version is for information  
purposes only. Only the German version  
is legally binding.

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# 1. General

## 1.1 Background

Pursuant to Article 26f (1) of the Exchange Act in conjunction with Article 2 (2) of Regulation (EU) No. 2022/1299, European Energy Exchange (EEX) is required to establish accountability levels (AL) for commodity derivatives with physical fulfilment (products) tradable on it as part of its position management controls for the delivery periods Spot Month<sup>1</sup> and Other Month<sup>2</sup>, respectively.

With this Implementation Regulation, the Management Board of the Exchange publishes the respective accountability levels it has determined (see sections 2.2 and 2.3).

## 1.2 Meaning

Accountability levels are no position limits within the meaning of Section 62 (1) and (2) of the Exchange Rules or Articles 54–56 of the German Securities Trading Act (WpHG). They merely support the exchange in detecting whether position concentrations are or have arisen in the relevant products that could lead to price distortion, market manipulation or other abusive trading practices.

## 1.3 Procedure

The Market Surveillance Office monitors all open positions in commodity derivatives with physical fulfilment at the level of the end position holders based on the daily position reports. Positions that serve to mitigate risk and that are flagged accordingly (hedging flag) are not considered in the assessment, as they can usually be assumed to have a legitimate interest.

If an accountability level is significantly or repeatedly exceeded with an open position, the Market Surveillance Office may request further information from the Trading Participant concerned about the nature and purpose of the positions held in this product for itself or its clients (Section 63 (2) of the Exchange Rules), if this is necessary for its assessment, taking into account the information already available on the position. The Trading Participant concerned is obliged to provide information pursuant to Section 63 (2) (b).

The Market Surveillance Office regularly reports to the Management Board of the Exchange the results of position monitoring, including any necessary corrections to the position parameters (e.g., subsequent setting of the hedging flag, change from proprietary to client position, etc.).

Based on these reports, the Management Board of the Exchange will, if necessary, request further information from the Trading Participants concerned or mandate the Market Surveillance Office accordingly. If, based on the information available, the Management Board of the Exchange concludes that a position leads to price distortions, market manipulation or other abusive trading practices, it may, in accordance with Section 63 (3) of the Exchange Rules, order the Trading Participant concerned to:

<sup>1</sup> Spot Month is the delivery month that goes into delivery next.

<sup>2</sup> Other Month includes all delivery periods Month, Quarter, Season, Year that are not covered by Spot Month.

- temporarily or permanently liquidate or reduce the position entered into and, if the person concerned fails to do so, unilaterally take appropriate measures to ensure that the position is terminated or reduced, and
- temporarily return liquidity to the market at an agreed price and to an agreed extent specifically for the purpose of mitigating the effects of a large or dominant position.

## 1.4 Entry Into Force

This Implementing Regulation shall enter into force on 1 January 2024. Unless otherwise specified, amendments thereto shall enter into force on the day following their publication.

## 2. Accountability Levels

### 2.1 Methodology

In accordance with the requirements of Regulation (EU) No. 2022/1299, the accountability levels (AL) for products were determined pursuant to the following methodology:

1. Determination of the respective concentration measure (CM) per product and end position holder according to the daily position reports:
  - a. Determination of CM per day for at least 3 consecutive months (historical period).
  - b. If the CM for long and short positions in a commodity derivative is different, the higher value (maximum CM) is decisive (maximum approach).
  - c. From the maximum CM (b) for the historical period (a), the average value for the next step (2.) is determined.
2. Categorization of products into liquidity categories based on CM values and determination of the liquidity category "No":
 

Liquidity Category	Description
<i>high</i>	high liquidity ( $CM \leq 15\%$ )
<i>medium</i>	medium liquidity ( $15\% < CM \leq 25$ )
<i>less</i>	less liquidity ( $25\% < CM$ )
<i>no</i>	No end-of-day positions on at least one trading day or less than 5 different end position holders with open positions

3. Determination of an AL% for each liquidity category
  - a. For each liquidity category, EEX sets a constant AL%.
  - b. No AL% and no AL for products in the liquidity category "No"
2. Calculates the respective AL for the Spot and Other Month maturities by multiplying AL% by the Deliverable Supply (DS) and Net Open Interest, respectively.

## 2.2 Products in Spot Month

In accordance with the methodology outlined in section 2.1, the following accountability levels apply to the below listed products in the Spot Month:

Products	Exchange Code	Accountability Level in MWh
EEX CEGH VTP Natural Gas Month Futures	G8BM	28,572,461
EEX CZ VTP Natural Gas Month Futures	G1BM	31,184,428
EEX PEG Natural Gas Month Futures	G5BM	58,487,267
EEX PSV Natural Gas Month Futures	GCBM	78,988,348
EEX PVB Natural Gas Month Futures	GE BM	32,628,674
EEX THE Natural Gas Month Futures	G0BM	63,317,597
EEX TTF Natural Gas Month Futures and Options <sup>3</sup>	G3BM and O3FM	26,281,004
EEX ZTP Natural Gas Month Futures	GBBM	40,425,000

## 2.3 Products in Other Month

In accordance with the methodology outlined in section 2.1, the following accountability levels apply to the following products in the Other Month:

Products	Exchange Code	Accountability Level in MWh
EEX CEGH VTP Natural Gas Futures	G8B*	6,750,635
EEX CZ VTP Natural Gas Futures	G1B*	1,130,831
EEX PEG Natural Gas Futures	G5B*	4,948,714
EEX PSV Natural Gas Futures	GCB*	1,736,065
EEX PVB Natural Gas Futures	GEB*	3,418,789
EEX THE Natural Gas Futures	G0B*	15,950,564
EEX TTF Natural Gas Futures and Options <sup>3</sup>	G3B* and O3FM	29,032,871
EEX ZTP Natural Gas Futures	GBB*	1,577,923

<sup>3</sup> Options will be considered in correspondence to their respective Option delta.