



The Natural Gas Trading Platform of HEnEx

Insights from a successful year of operation and future steps

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Energy Exchange Group | Overview

Power

Gas

Other

Private sector
58%

Public sector
42%



HEnEx

- Nominated Electricity Market Operator for **Power Spot Market**
- Operator of the **Energy Derivatives Market**
- Operator of the **Natural Gas Trading Platform**

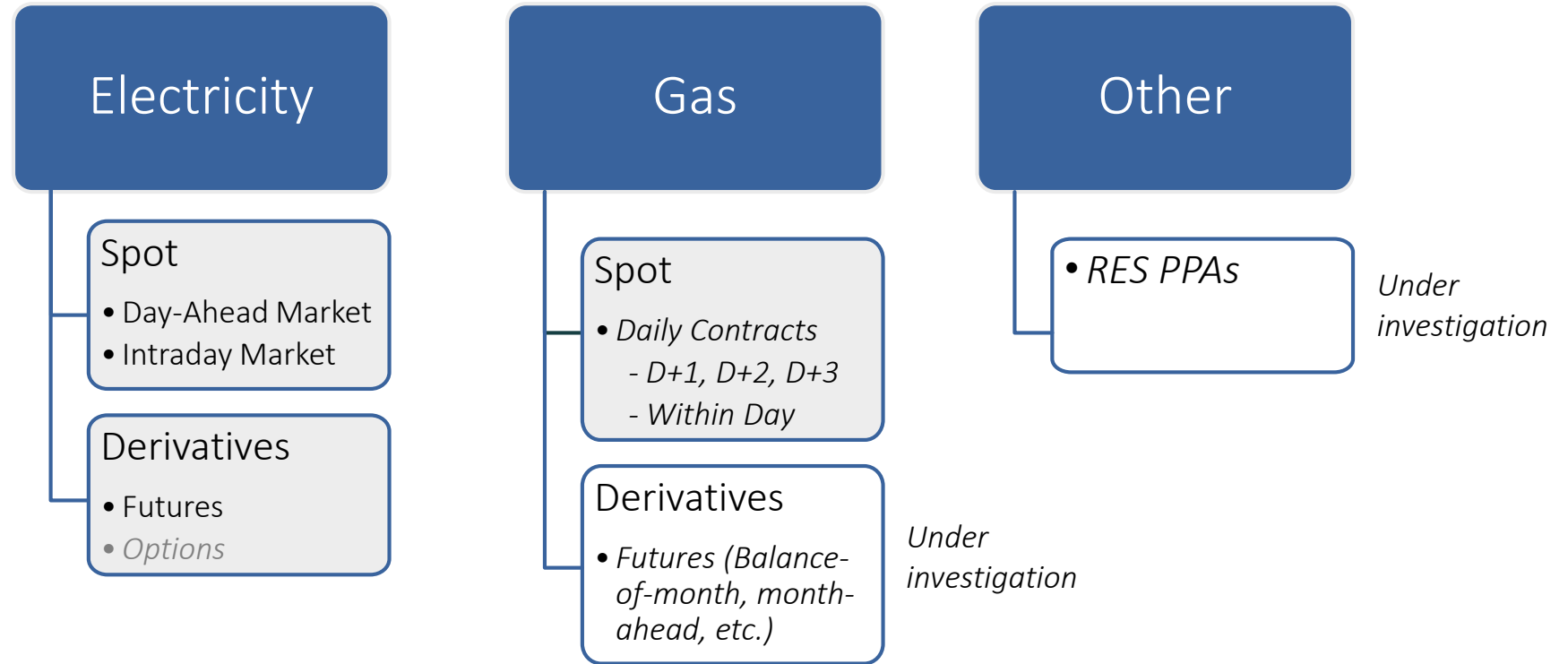
EnEx^{CLEAR}

- Risk management, clearing and settlement for power & gas spot markets
- Clearing and settlement of positions in the **Balancing Market** for Power (operated by IPTO)

ATHEXClear S.A.

- Derivatives Clearing House

HEnEx provides access to a range of Energy Markets, both for **Spot & Derivatives**



Natural Gas Trading Platform | The ecosystem

- A joint effort between EnExGroup, *δesfa*, and the Athens Exchange Group



- The platform is compatible with EU Regulatory Standards and consists of:

› A Trading System



+ XNet Trader App

› A Clearing System



+ EMCS App

The Natural Gas Trading Platform went live on March 21st, 2022



01

Fully in-line with EU Regulation 312/2014 which supports the development of a **competitive short-term wholesale gas market** in the European Union

02

Designed to provide a **comprehensive exchange market** for gas suppliers, traders and final consumers along with a robust set of **reference prices and indices**

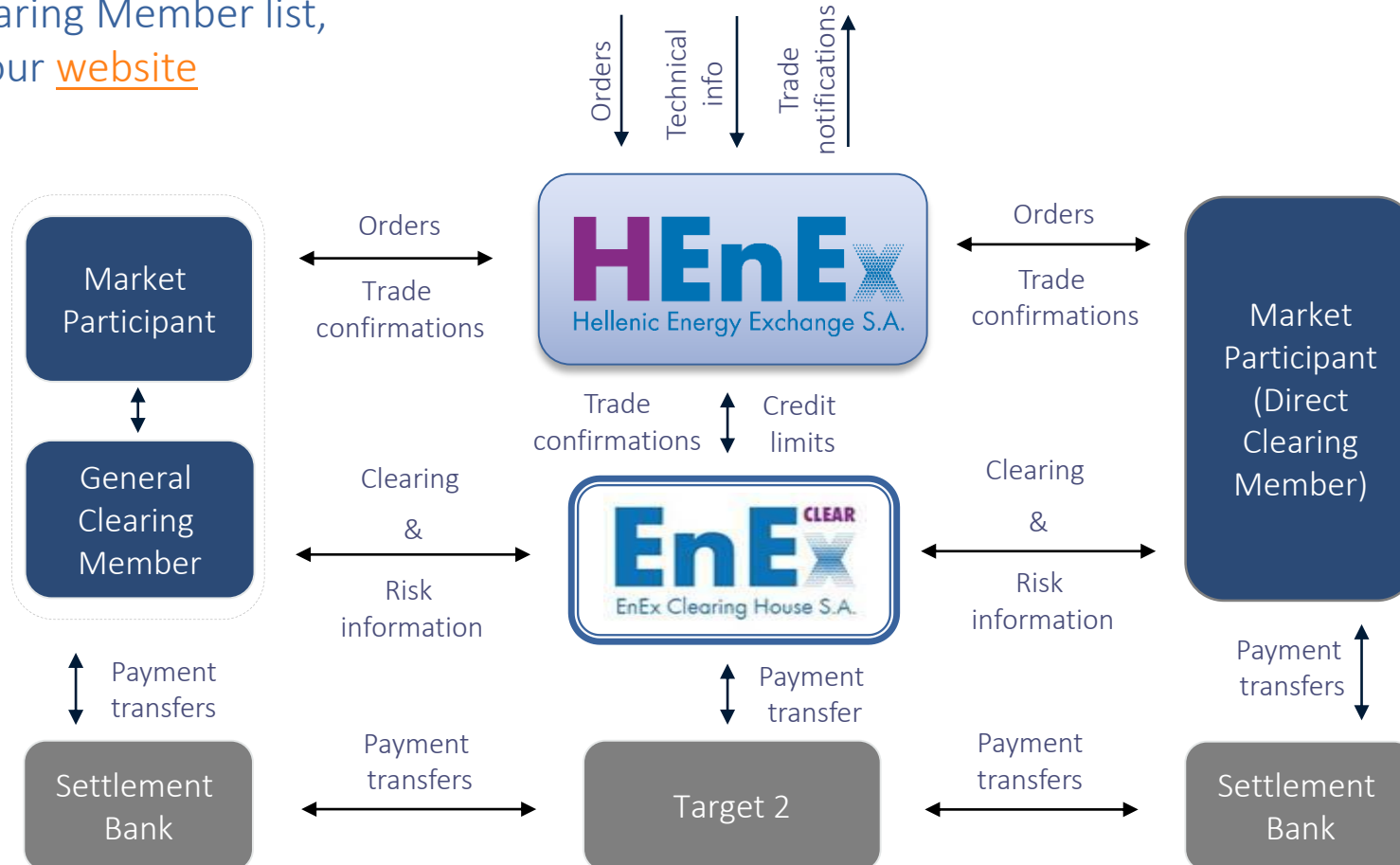
03

Improves the **risk profile** of doing business in the natural gas sector in the SEE region and **aims to explore synergies** with the evolving infrastructure in Greece

Natural Gas Trading Platform | Market architecture



For the General Clearing Member list, please visit our [website](#)



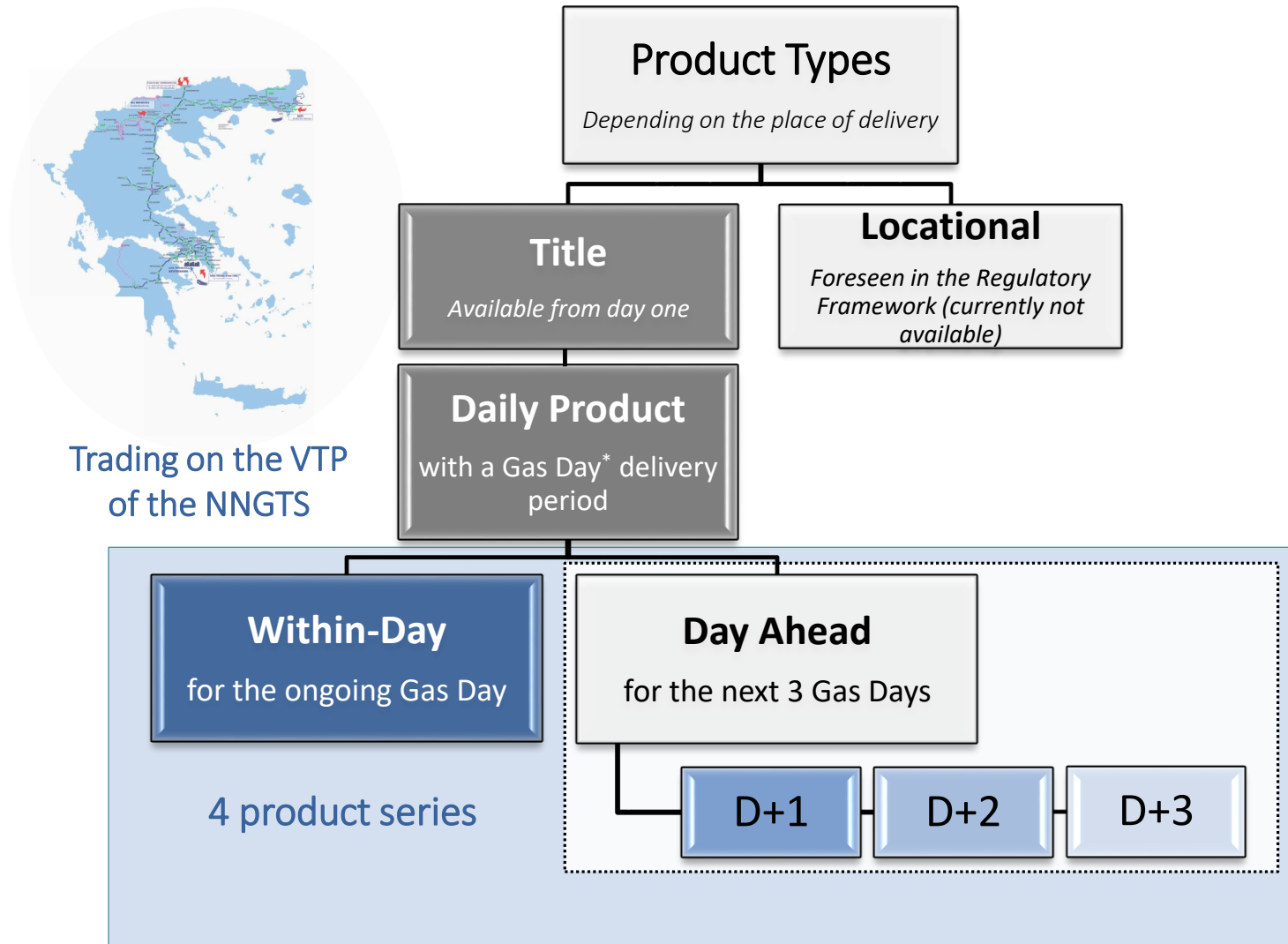
The platform features a combination of **continuous trading** and **auctions**

- **Continuous trading** is the main trading method
- **Ad-hoc auctions** can be called by **desfa** for its balancing requirements
- Auctions enable the **smooth market transition** from the previous auction-based balancing platform to the natural gas trading platform



Trade registration for clearing and settlement of **pre-agreed (OTC) trades** between participants by **EnExClear** is supported

Natural Gas Trading Platform | Traded products



* A Gas Day covers the period between 06:00 CET of day D and 06:00 CET of day D+1

Trading Schedule Monday-Sunday (including holidays)

- **Continuous trading:**
08.30 – 18.00 CET
- **Call Auctions:** Every hour for half an hour from 07.00 (D) – 01.00 (D+1) CET for WD and DA

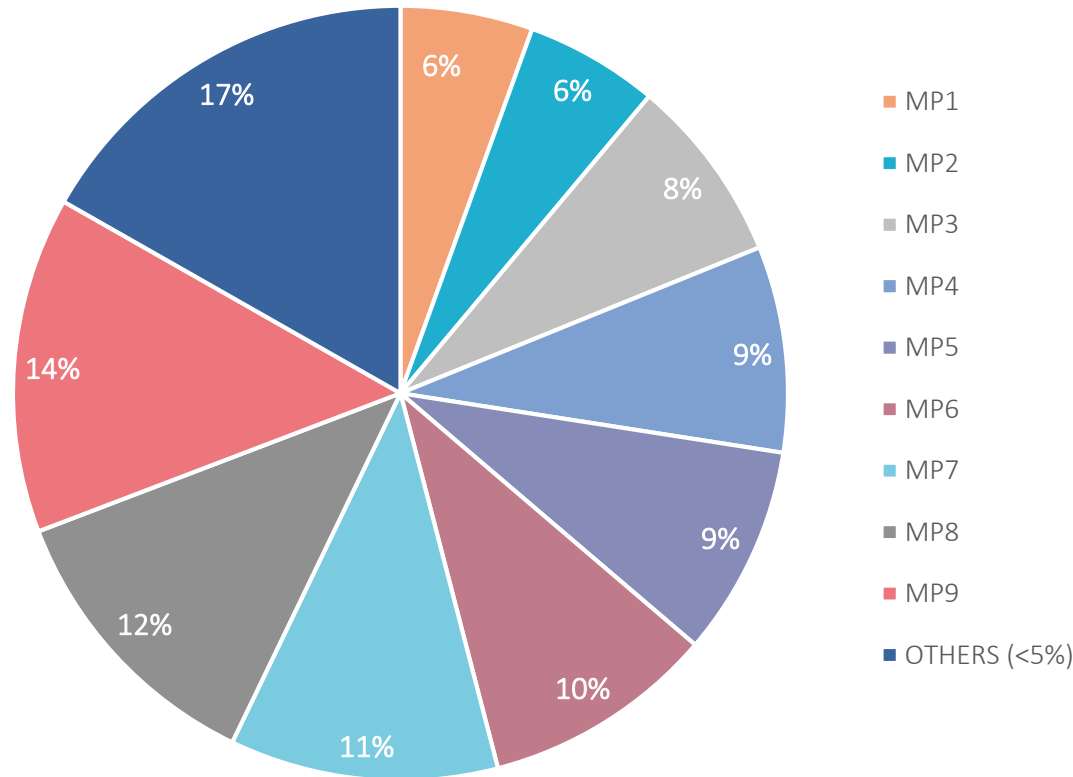
Who is eligible to become a Market Participant?

- ✓ **National Natural Gas Transmission System (NNGTS) Users**
 - Registered in the Natural Gas System User registry kept by RAE. For more information, please visit [RAE Website](#)
 - For more information about NNGTS access please visit [desfa's website](#)
- ✓ **The Transmission System Operator (desfa)**
- ✓ The Market Participant capacity is acquired after authorization by HEnEx. For more information, please visit our [website](#)

21 companies + the Greek TSO

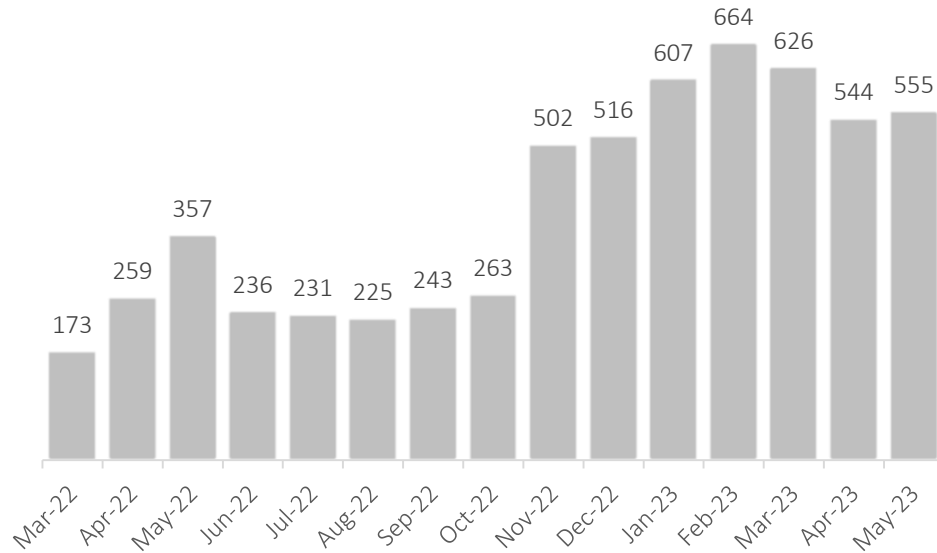
- | | |
|--|--------------------------------|
| 1 δESFA | 15 ENERGIKO EOOD (BG) |
| 2 ATTIKI GSC (FYSIKO AERIO ATTIKIS) | 16 MOTOR OIL S.A. |
| 3 DEPA COMMERCIAL S.A. | 17 DXT INTERNATIONAL S.A. (LU) |
| 4 ELPEDISON S.A. | 18 PROMITHEAS GAS S.A. |
| 5 HERON II VIOTIAS | 19 EDISON S.p.A. (IT) |
| 6 HERON THERMOELECTRIC | 20 OMV PETROM SA (RO) |
| 7 KEN S.A. | 21 GEN-I Athens SMLLC |
| 8 MET ENERGY TRADING BULGARIA EAD (BG) | 22 BULGARGAZ EAD (BG) |
| 9 MYTILINAIOS S.A. | |
| 10 PPC S.A. | |
| 11 VOLTERRA S.A. | |
| 12 WATT AND VOLT S.A. | |
| 13 ZENITH GAS & LIGHT | |
| 14 AXPO BULGARIA EAD (BG) | |
- 4 companies in the final registration stage and 6 more in phase 1

Market Concentration as of May 2023



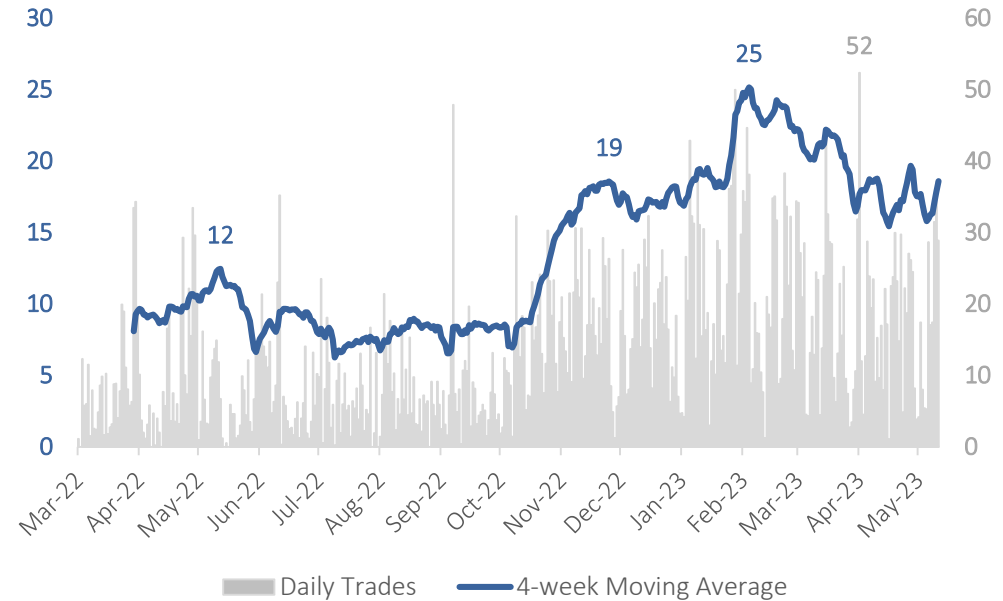
- › Trading activity is distributed across a number of participants (low concentration)
- › 9 participants possessed a market share that was higher than 5% in May 2023
- › 11 participants accounted for 17% of traded volumes in May 2023

One-Sided Traded Volumes in GWh



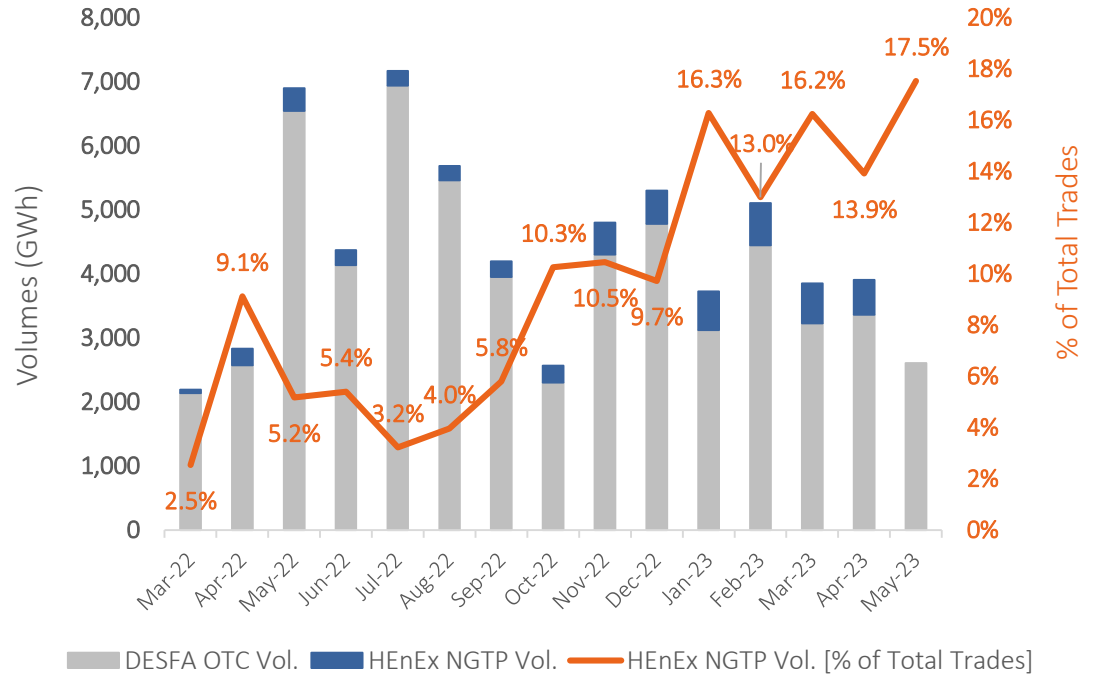
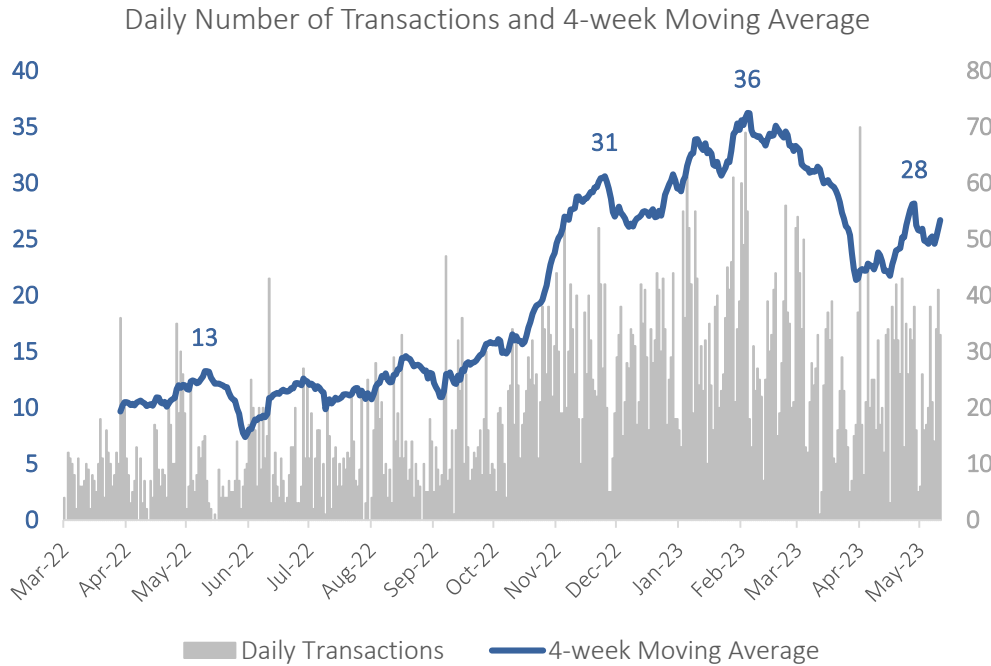
Note: March volumes have been adjusted to 31 days

Daily Trades in GWh and 4-week Moving Average



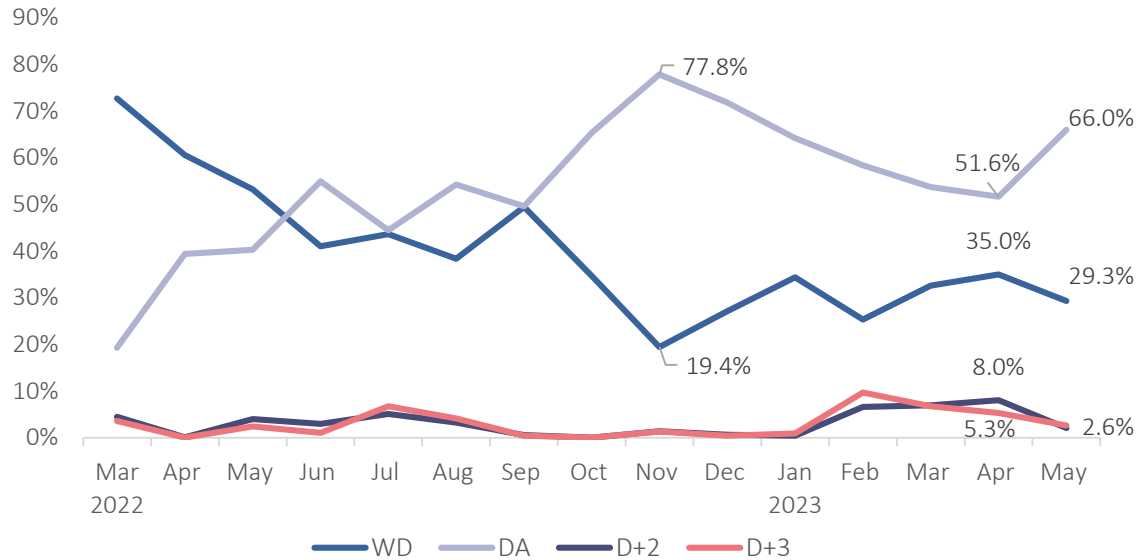
- › **5.9 TWh** have been traded (one-sided) since March 2022
- › Traded volumes have increased sharply since November 2022. A **y-o-y comparison** for the months of April and May indicates a **78.4% increase** of traded volumes
- › The **maximum volume** of trades was observed on Friday, 21st of April 2023 and it was **52 GWh**

Natural Gas Trading Platform | Transactions and VTP volumes

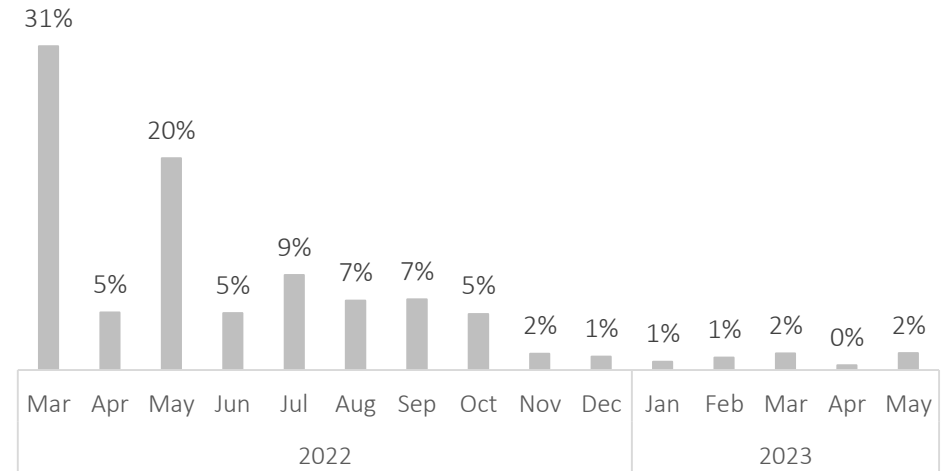


- › **8,679** transactions successfully completed since March 2022
- › The maximum number of **transactions on a single day** was observed 21st of April 2023 and was **70**
- › **8.9%** of the total traded volume is traded through NGTP since March 2022
- › **15%** of the total traded volume is traded through NGTP from January 2023 until May 2023

Product Series Percentage of Trades

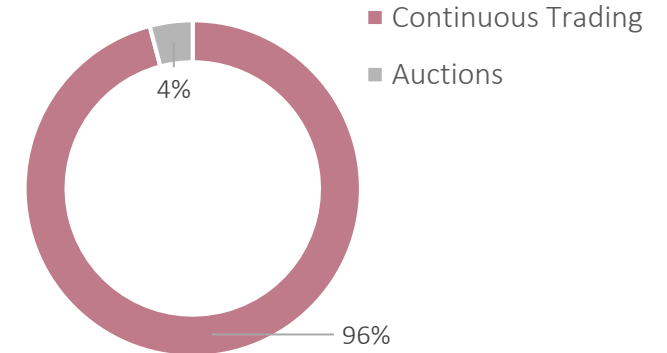


Auction volumes as a percentage of total trades

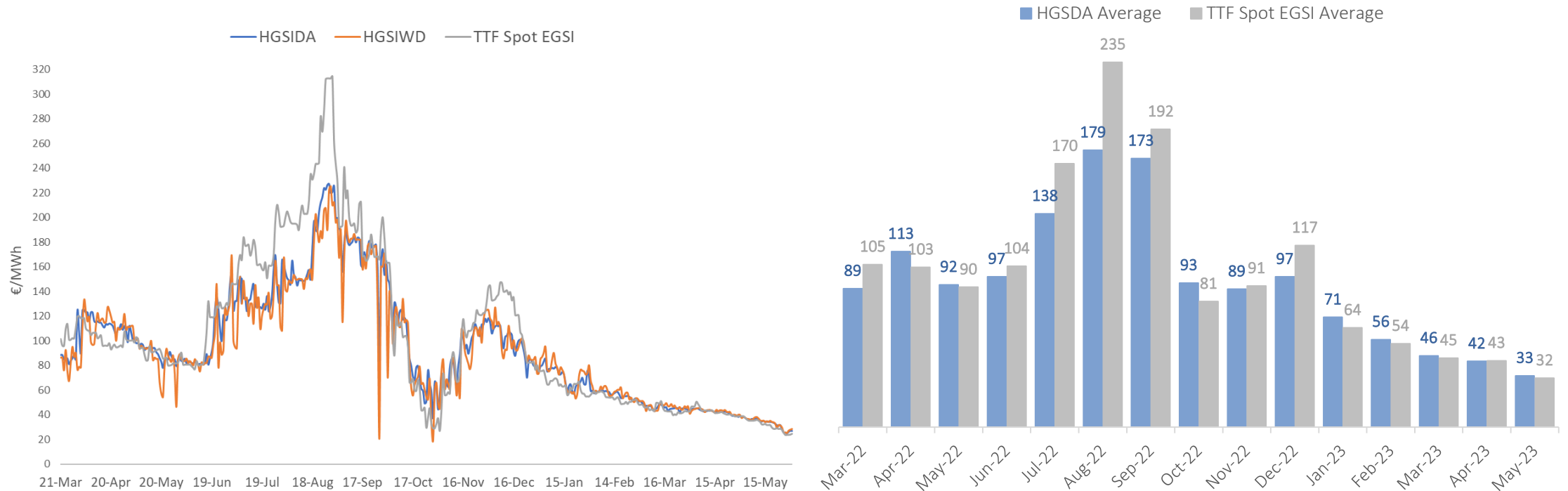


WD	34.9%
DA	58.2%
D+2	3.4%
D+3	3.5%

- › **Within-day** and **day-ahead** series account for **93.1%** of the trades
- › The **day-ahead series** share shows an upward trend since the beginning of NGTP's operation
- › **D+2** and **D+3** series traded volumes are picking up



Natural Gas Trading Platform | Natural gas indices



*Data for TTF Spot EGSI: <https://www.eex.com/en/market-data/natural-gas/indices>

- › Two Natural Gas Trading Platform indices are available: the HEnEx Gas Spot Index **WD & DA (HGSIRD & HGSIDA)**
- › The **correlation** between HGSIDA and TTF EGSI is quite high (**96%**) up to now
- › On average, HGSIDA has been **~8 €/MWh lower** than TTF Spot EGSI since the launch of the NGTP
- › For more information about the two indices published by HEnEx, please visit our [website](#)

Natural Gas Trading Platform | Next steps

- › Simplify access to the NGTP, in cooperation with **desfa**, through the introduction of a **“light” registration** that aims to separate the role of the trader from that of the shipper (**EFET Letter**)
- › The inclusion of our **indices** in **reference publications** of the natural gas sector
- › The addition of **gas future** products (such as **balance-of-month, month-ahead, etc.**) to our energy derivatives market
- › To explore **synergies** with gas exchanges in the CSEE region
- › To enhance our **customer service** by putting an emphasis on our **key account management function**

Thank you for your attention

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