Hellenic Energy Exchange: Short introduction

Tuesday, December 15th 2020 | SEEGAS Kick-off Meeting

Dr. Vasileios Gkountis
Dir. Strategy & BD | HEnEx
Who we are
Energy Exchange Group

- **EnEx Group** (Energy Exchange Group)
  - **HEnEx** (Hellenic Energy Exchange S.A.)
    - Private company operating **Spot & Derivatives** energy markets
  - **EnExClear** (EnEx Clearing House S.A.)
    - 100% owned by HEnEx
    - Private company clearing **Spot** energy markets
      - **Derivatives** energy markets cleared by ATHEX Clear (company of ATHEX Group)
HEnEx Shareholders

Public sector

- Hellenic RES/GoO Operator (22%)
- Hellenic Electricity TSO (20%)

42%

Private sector

- Athens Stock Exchange (21%)
- EBRD (20%)
- Cyprus Stock Exchange (10%)
- Hellenic Natural Gas TSO (7%)

58%
EnEx Group Target Markets

- HEnEx’s **one-stop shop** offering will provide access to a range of Energy Markets, both for the Spot & Derivatives Markets.

**Electricity**
- Spot
  - Day Ahead Market
  - Intraday Market
- Derivatives
  - Futures
  - Options

**Gas**
- Spot
  - *Daily Contracts*
    - Day Ahead
    - Within Day
- Derivatives
  - Futures

**Environmental**
- Green Certificates
How we operate
HEnEx is the Nominated Electricity Market Operator (NEMO) for the Electricity Spot Markets in Greece and the Operator of an Energy Derivatives market.

The EnEx Group is working with the NG TSO, DESFA, on creating a NG Trading Platform.

Our vision is to provide our customers with tailor-made solutions and easy market access.

Trading in HEnEx is completed by **two clearing houses** which bring transparency and security to the market.
## Wholesale energy markets operational model

<table>
<thead>
<tr>
<th>Market</th>
<th>Type of Market</th>
<th>Market Operator /TPO</th>
<th>Clearing and Risk Management</th>
<th>Platforms &amp;Technical Services</th>
<th>SPOT Markets</th>
<th>Energy Derivatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day Ahead &amp; Intraday Power</td>
<td>Physical</td>
<td>HEnEx</td>
<td>EnEx Clear</td>
<td>EnEx &amp; Athens Exchange Group</td>
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<td>Balancing Power</td>
<td>Physical</td>
<td>AAMHE</td>
<td>AAMHE</td>
<td>AAMHE</td>
<td>Balancing Power</td>
<td>Cash Settlement with optional Physical Delivery</td>
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<tr>
<td>Balancing Gas</td>
<td>Physical</td>
<td>DESFA</td>
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<td>DESFA</td>
<td>Balancing Gas</td>
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**EnEx**

Energy Exchange Group
Spot Markets Architecture

Case A

- Market Participant
  - General Clearing Member
    - Credit/Debit instructions
    - Settlement Bank
  - Orders
  - Trade confirmations
  - Trades confirmations
  - Risk information
  - Cash transactions
  - Credit/Debit instructions

Case B

- Market Participant (Direct Clearing Member)
  - Credit/Debit instructions
  - Settlement Bank
  - Orders
  - Trade confirmations
  - Trades confirmations
  - Risk information
  - Cash transactions
  - Credit/Debit instructions
Non-financial Members/clients of Members may opt for physical settlement of their positions in the Spot Market.

**Case A**
- Trading Member Financial & Energy Companies
- General Clearing Member
- Credit/Debit instructions
- Cash transactions

**Case B**
- Financial Trading Member only (Direct Clearing Member)
- Credit/Debit instructions
- Cash transactions

**Target 2**
Power & Gas Outlook
DAM & IDM Coupling
Coupled & non-coupled interconnections

- Starting with isolated operation (non-coupled)
- Interconnections to be coupled:
  - Italy first, Bulgaria will follow
- Non-coupled Interconnections:
  - Albania, N. Macedonia, Turkey
- Allocation of capacities
  - Explicit during isolated operation
  - Implicit during coupling (with coupled Bidding Zones)
- Coupling in IDM
  - Local auctions are substituted by Regional/Pan-European auctions
  - XBID project

Market Coupling: first stage
## EnEx Group Milestones for 2020-21

<table>
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<th>Milestone</th>
<th>Date</th>
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<tbody>
<tr>
<td>Target Model Power Spot (isolated mode)</td>
<td>LIVE! As of Nov. 1</td>
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<tr>
<td>Futures Market Phase II (full product deployment)</td>
<td>LIVE! As of Nov. 2</td>
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</tbody>
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