BALKAN GAS HUB EAD
Operator of the BGH Natural Gas Trading Platform

March 2021
OVERVIEW

- Balkan Gas Hub EAD is the operator of the natural gas trading platform/exchange market;
- The software and electronic environment has been developed and provided by Trayport Ltd. via their electronic trading system (ETS) as one of the leading software solutions for commodity exchanges in Europe;
- BGH officially launched the trading platform with the first GRP auctions starting in December 2019;
- In January 2020 multilateral trading on a natural gas trading platform was offered via three segments: short-term segment (STSPs); long-term segment (anonymous and non-anonymous); Gas Release Programme (GRP) and a Brokering service;
- Automatic trade notifications for all trades executed on the platform generated from Balkan Gas Hub to the information system of the TSO.
**BGH TRADING SEGMENTS**

- **SHORT TERM SEGMENT**: Segment for anonymous on-screen trading of short-term standardized products (WD, DA, Weekend), in accordance with the provisions of Regulation (EU) No. 312/2014;

- **LONG TERM SEGMENT**:
  - **ANONYMOUS** - Traded on-screen on an anonymous basis between BGH registered members (Weekly, Monthly, Quarterly, Yearly);
  - **NON-ANONYMOUS** - Registration and administration of bilateral long-term contracts with period for delivery up to one year, as per the provisions of the Energy Act;

- **BROKERING SEGMENT/SERVICE**: to serve the needs of end consumers and end suppliers directly connected to the gas transmission system but without access to the gas transmission network and the VTP, via which segment they may purchase natural gas at exit points from registered BGH members for their own needs;

- **GRP SEGMENT**: Gas Release Program for the realization of quantities offered by the public supplier as per the requirements of the Agreement for Implementation of the GRP, approved by the EWRC. BGH is responsible for the provision of the software environment for conduction of the auctions.
BGH MEMBERS: DECEMBER 2020

- ACTAEL EOOD
- AIK Energy Romania S.R.L.
- Allianz Energy Bulgaria LLC
- Axpo Bulgaria
- BULGARGAZ EAD
- BULGARIAN GAS COMPANY
- DANSE COMMODITIES A/S
- DEPA S.A.
- Dexia Bulgaria OOD
- DXT International SA
- EKOS 17 Ltd
- ELPEDISON S.A.
- Elpetra Energy EAD
- ENERGIKO
- Energiko Trading Bulgaria
- ENERGY SUPPLY
- Energy Trader EOOD
- ENGIE SA
- Gas Energy Finance LTD
- GLOBAL COMMERCE-1 LTD
- Gruppo Società Gas Rimini S.p.A
- Kolmar Bulgaria
- Kolmar NL B.V.
- MET Energy Trading Bulgaria
- Mix Gas Group OOD
- Most Energy AD
- MYTILINEOS HOLDINGS SA
- NEOCHIM
- OMV PETROM S.A
- Protos Energy EAD
- RWE SUPPLY&TRADING
- S D Project
- SPS GLOBAL OOD
- Stomana Industry SA
- TIBIEL LTD
- Toplofikacia Sofia EAD
- Udinex EOOD
- Vitol Gas and Power BV
- WIEE Bulgaria EOOD
- Zlatna Panega Cement AD
ROLE OF THE TRANSMISSION SYSTEM OPERATOR ON THE TRADING PLATFORM

- The TSO utilises the trading platform for the purpose of procurement of short-term standardised products, in line with the provisions of Regulation (EU) No. 312/2014 establishing a Network Code on Gas Balancing of Transmission Networks;

- Bulgartransgaz is a registered BGH Member and active trading party as of July 2020;
TRADING DATA: DAY-AHEAD
TRADING DATA: WITHIN-DAY
DATA REPORTING UNDER REMIT

- All trades executed on the BGH trading platform are reportable to the Agency for Cooperation of Energy Regulators (ACER) in accordance with the provisions of Regulation (EU) No. 1227/2011 on wholesale energy market integrity and transparency and Implementing Regulation (EU) No. 1348/2014 on data reporting;
- BGH launched the REMIT Reporting service in July 2020 offering two options:
  - Reporting Service - BGH reports data about the trading activity of a BGH Member to ACER via a Third-Party Registered Reporting Mechanism (RRM). The service includes reporting data to ACER and client access to reported data and report confirmations sent by ACER;
  - Provision of Access to Data for the aim of self-reporting - for clients using another reporting organisation, BGH offers access to ready-to-be-reported XML files prepared in accordance with ACER’s requirements. The data is available via web-based client profiles in BGH’s information system.
ONGOING & PLANNED ACTIVITIES

- Licensing of Balkan Gas Hub as an Operator of natural gas exchange market:
  - Licensing application submitted by BGH in accordance with the provisions of the Licensing Ordinance and awaiting on the EWRC’s decision and approval.

- Implementation of clearing services via the introduction of an established Clearing House or an applicable alternative suitable for the needs of the local and regional market:
  - BGH aims to provide additional financial security to BGH Members via the implementation of a Clearing House, which shall in turn stimulate a more transparent, secure and large-scaled trading;
  - This will lead to optimizing the working model through better transparency, equality between trade participants and minimized risk of market manipulation and financial losses.
Thank you for your attention!

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