

# Joint Information Day

# CEGH & AGGM

24<sup>th</sup> November 2022



# 24<sup>th</sup> CEGH Feedback Workshop



## Virtual Meeting Guidelines

- We will have a Q&A session at the end of the CEGH presentation via the "Chat function".
- For questions during the presentation, please use the "Chat function", we will answer them at the Q&A session.
- The link to the download of the presentation will be sent in a Newsletter within the next days.

# 24<sup>th</sup> CEGH Feedback Workshop



## AGENDA CEGH

- **Welcome and Opening Words**
- Update on CEGH VTP Operations
- Latest Developments at EEX CEGH Gas Exchange
- CEGH GreenGas Platform Developments
- Preparation for the Supply Situation for the Winter Period 22/23
- Q&A Session

# CEGH Volume Development 1-11/2022\*



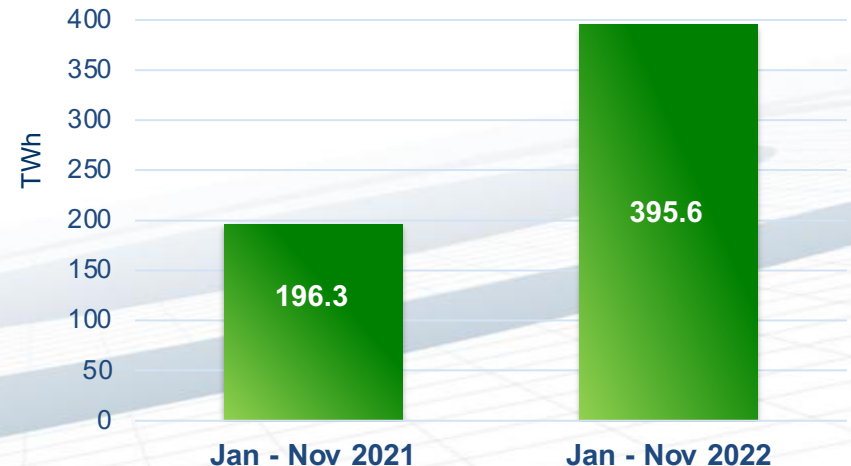
## CEGH VTP Market:

1-11/2022: 581 TWh  
(y-t-y: -15.6%)



## EEX CEGH Gas Market:

1-11/2022: 395.6 TWh  
(y-t-y: +101.5%)



(\*Nov 2022 ~linear Forecast)

# High Volatility & High Price Environment



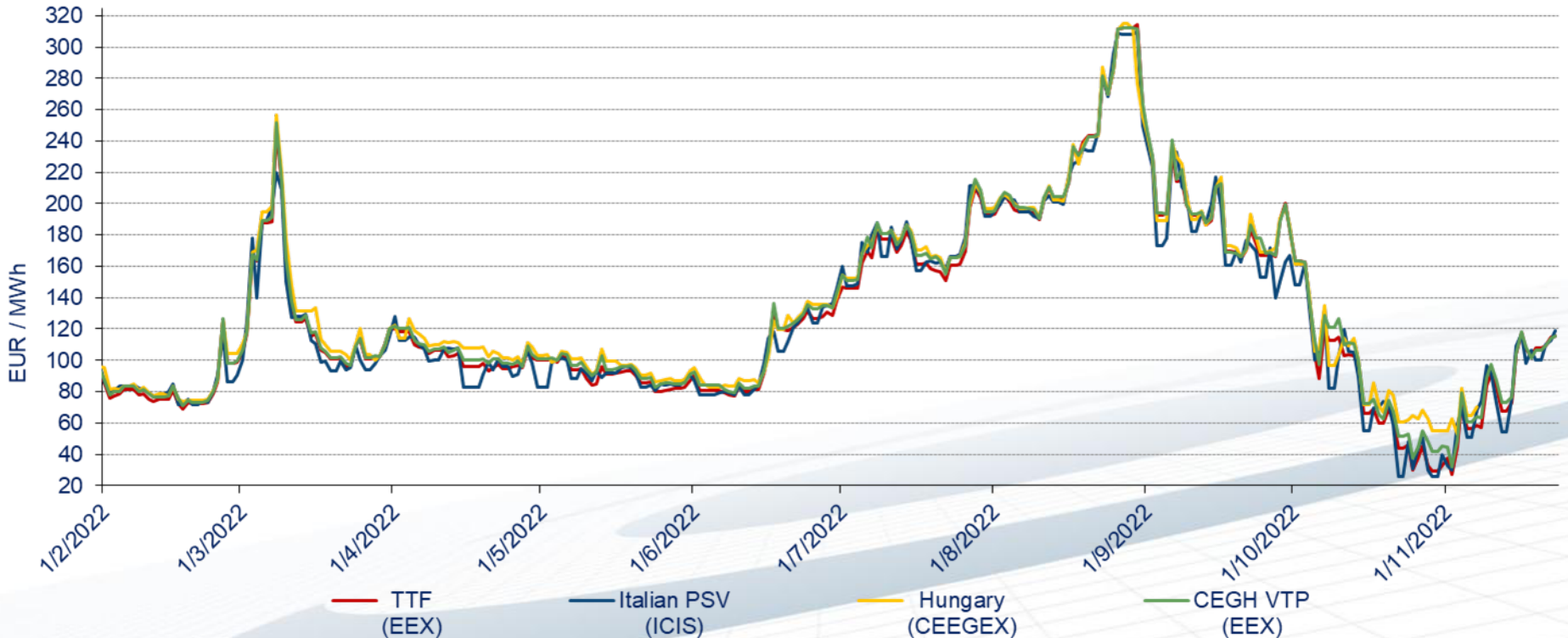
EEX CEGH DA/WE Open-Low-High-Close Prices (EUR/MWh)



# New Gas Supply Situation leads to changed Price Spread Picture between European Markets



## Daily Spot (DA/WE) Settlement Prices (EUR/MWh)

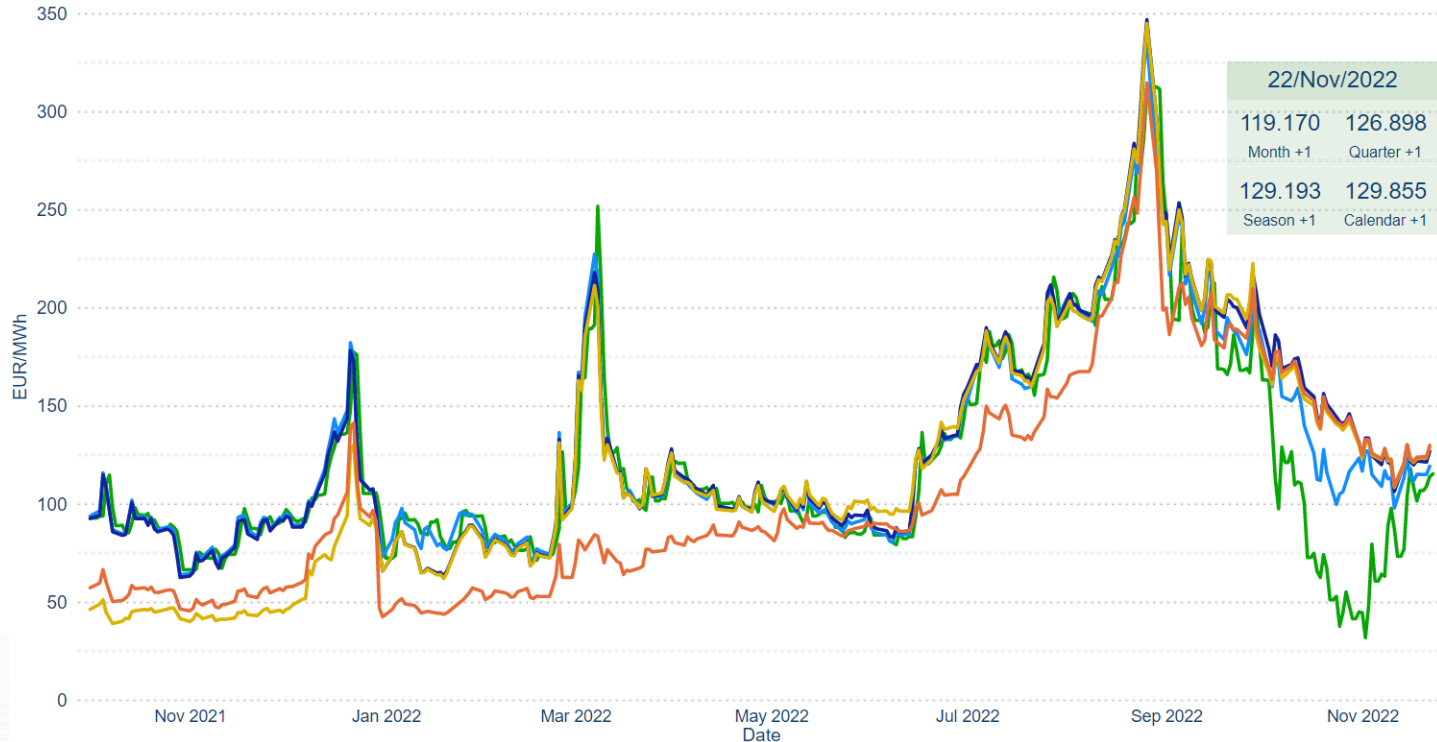


# Downwards Trend in Futures Contracts: Day-Ahead and Futures Contracts at the Same Level Again



EEX CEGH Futures Contract Prices by Publication Date and Spot Delivery Prices

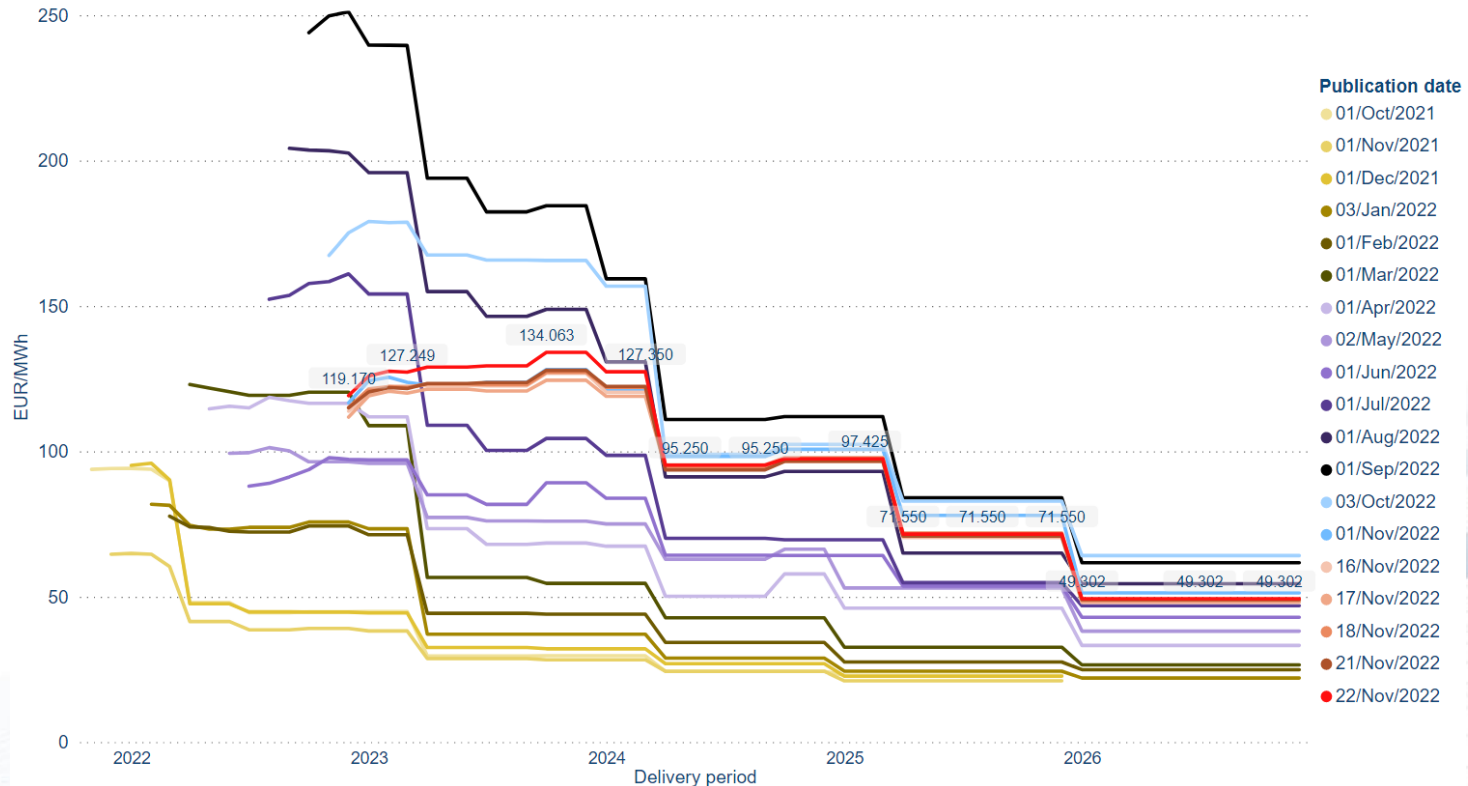
Maturity ● Day-ahead / Weekend ● Month +1 ● Quarter +1 ● Season +1 ● Calendar +1



# Future Gas Price Expectations increased significantly due to Supply Crunch Fears



EEX CEGH Futures Price Curve - On the 1st trading day of the month and last 5 trading days





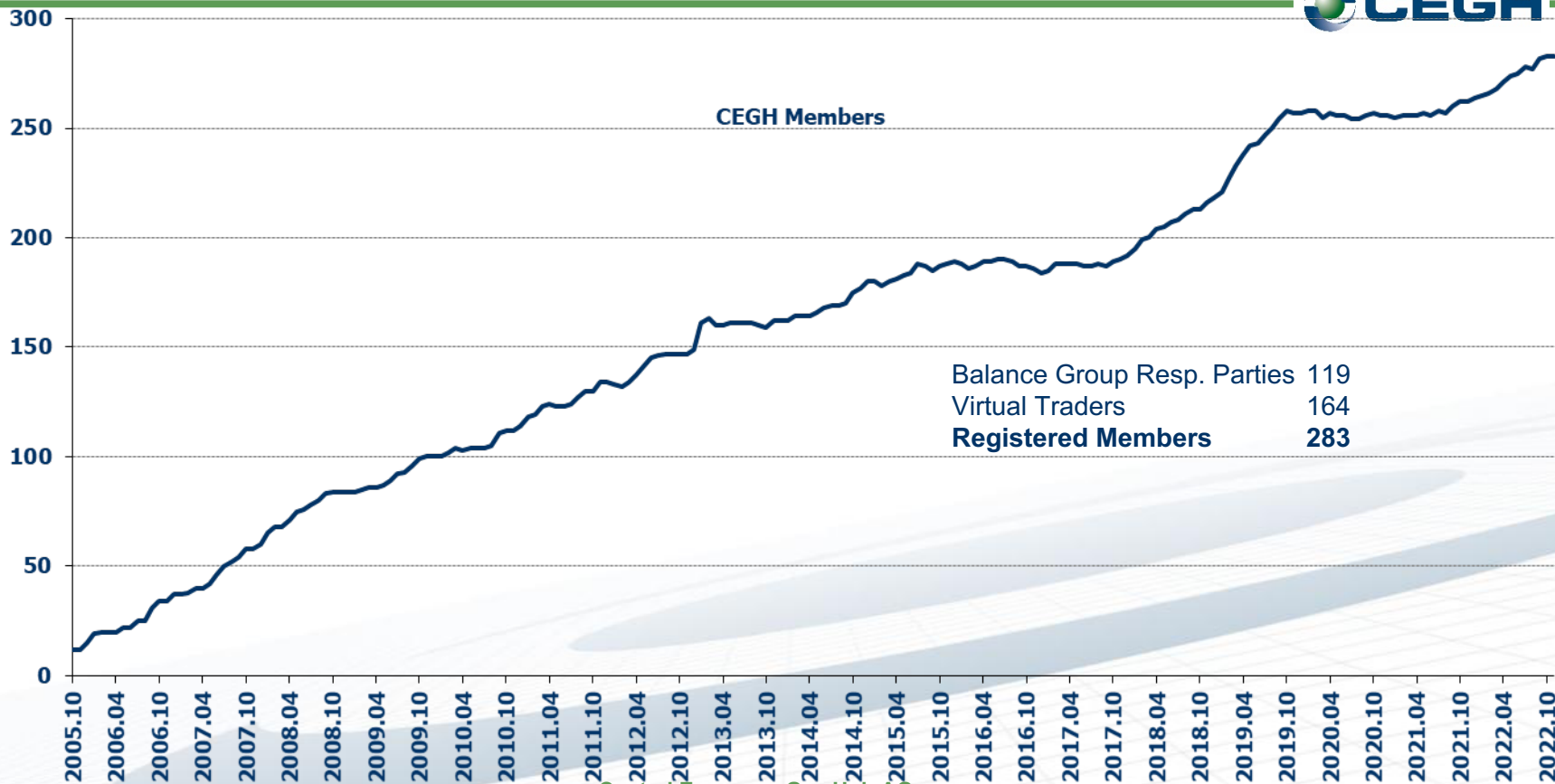
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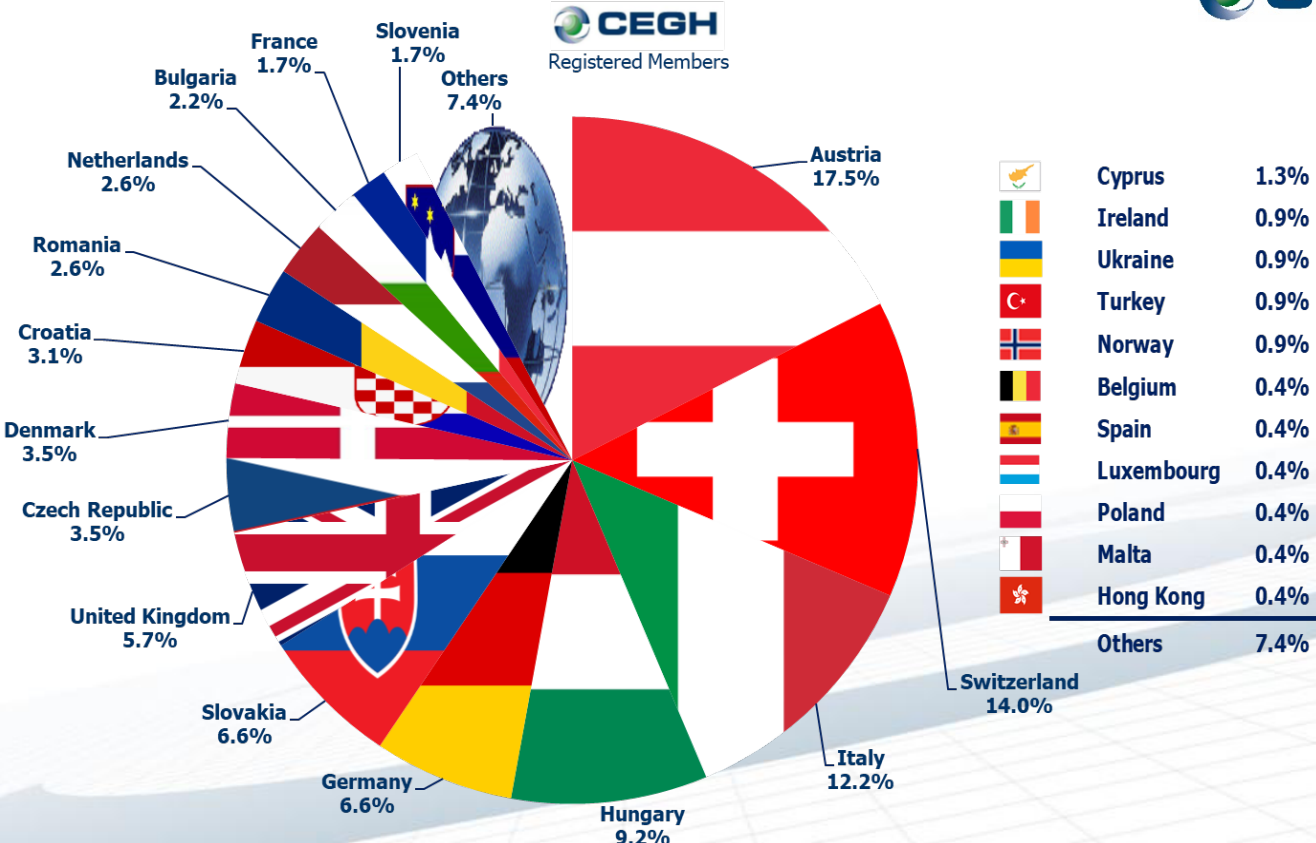
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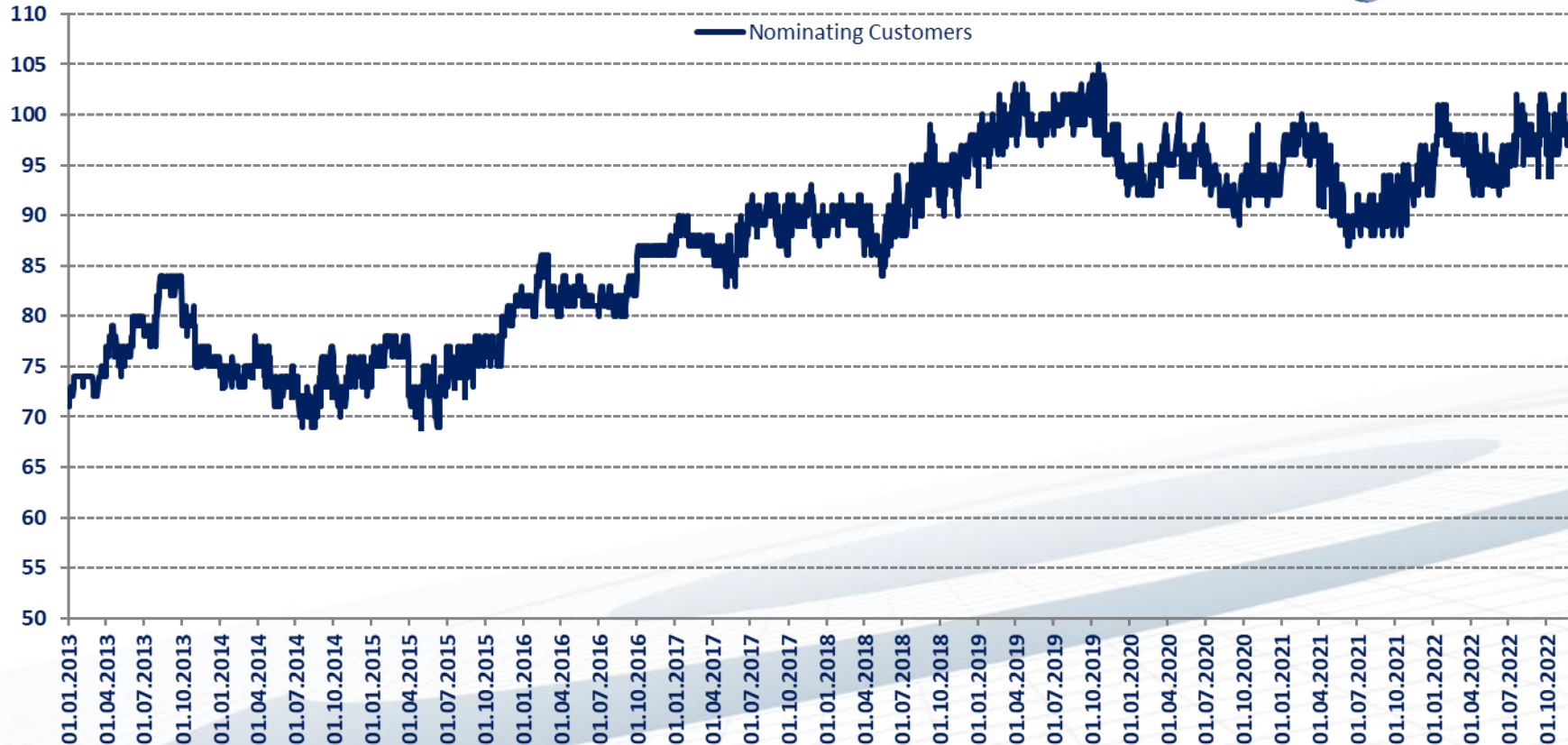
# CEGH VTP: Registered Members



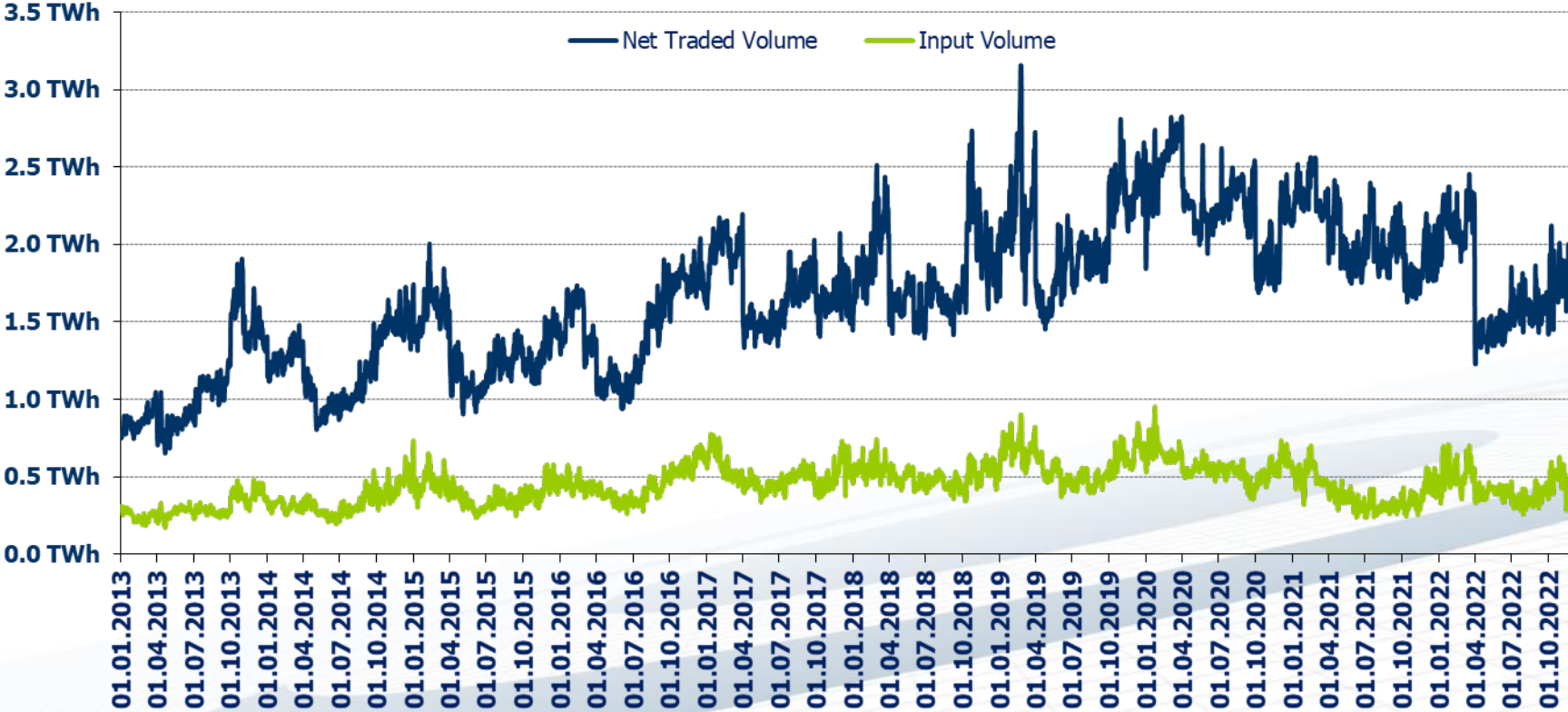
# CEGH VTP: Diversity of Registered Members



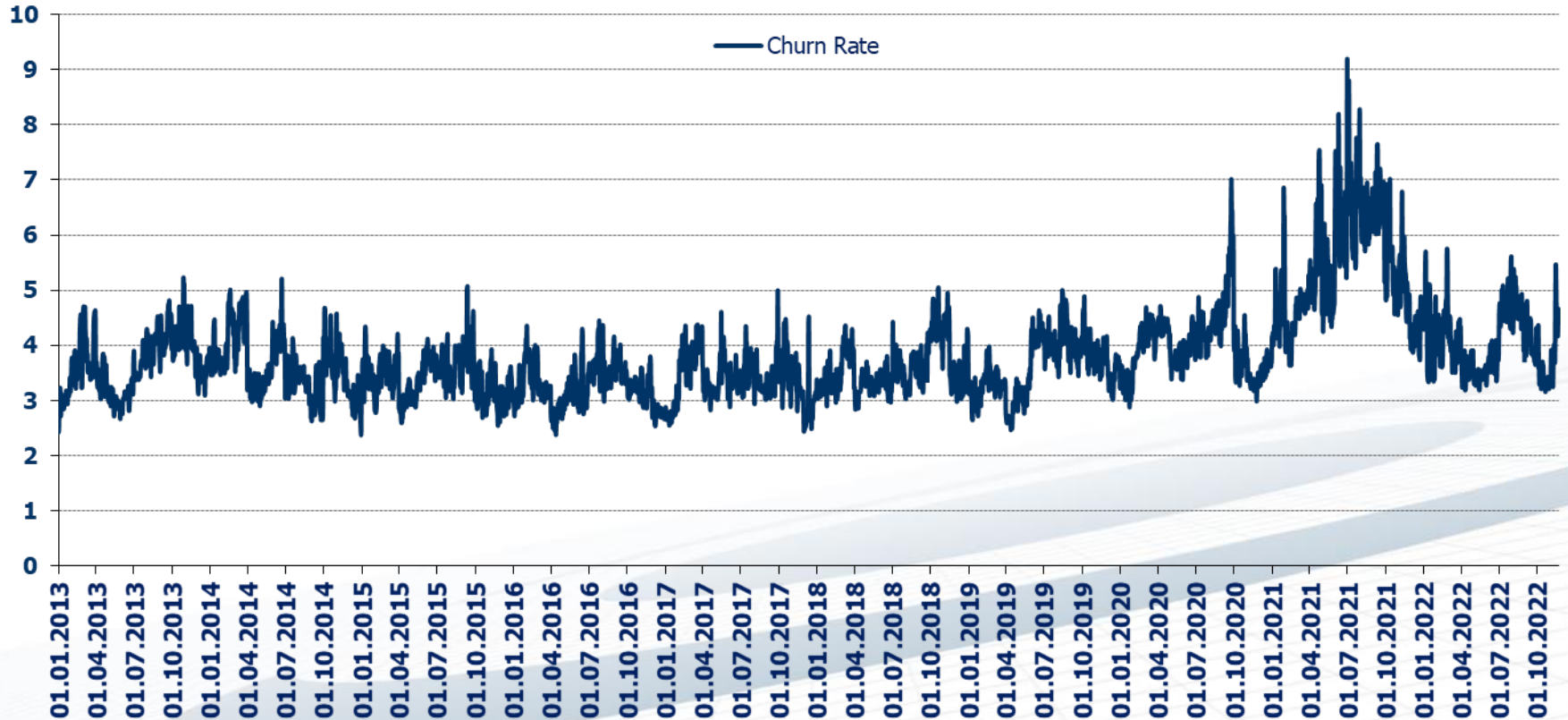
# CEGH VTP: Nominating Customers on Daily Basis since January 2013



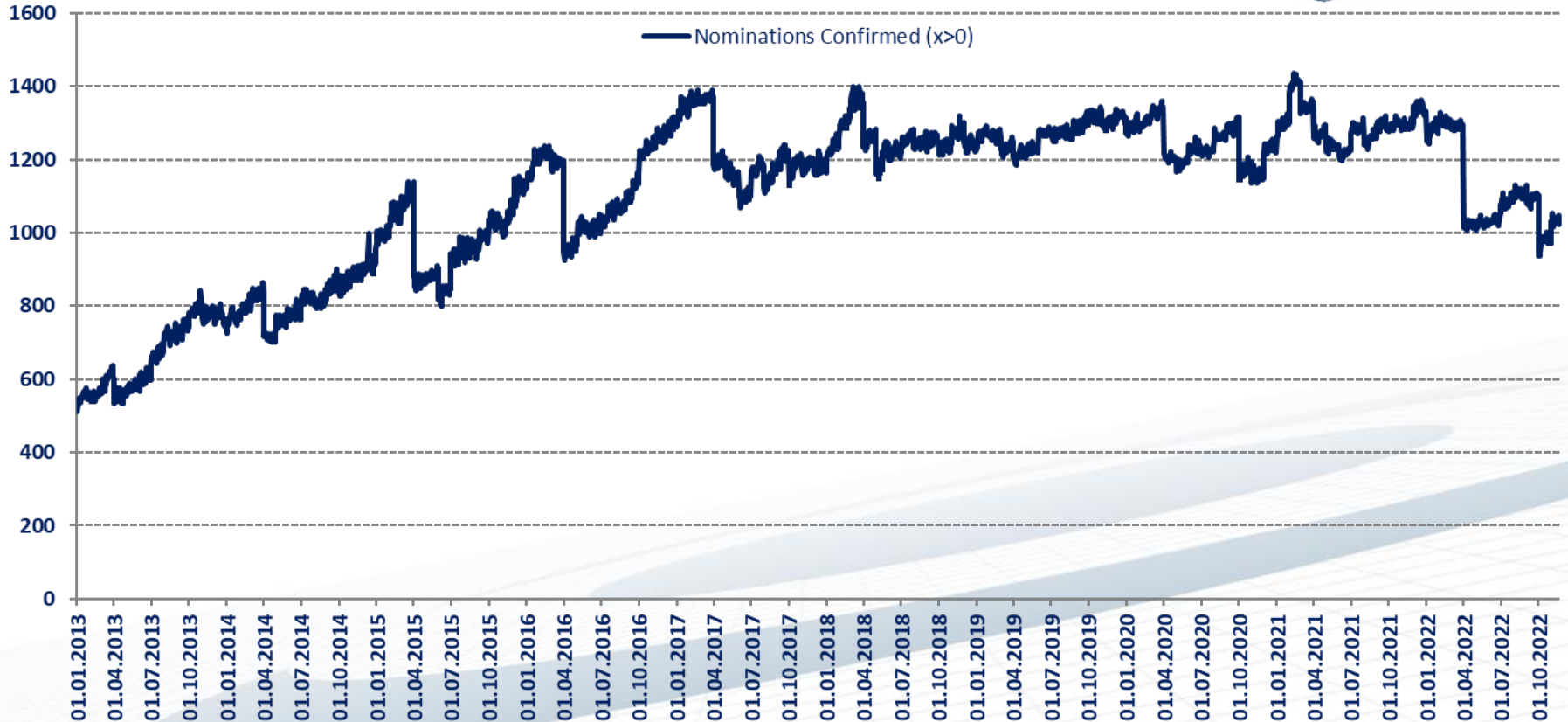
# CEGH VTP: Daily Net Traded Volume since Jan 2013



# CEGH VTP: Daily Churn Rate since 2013



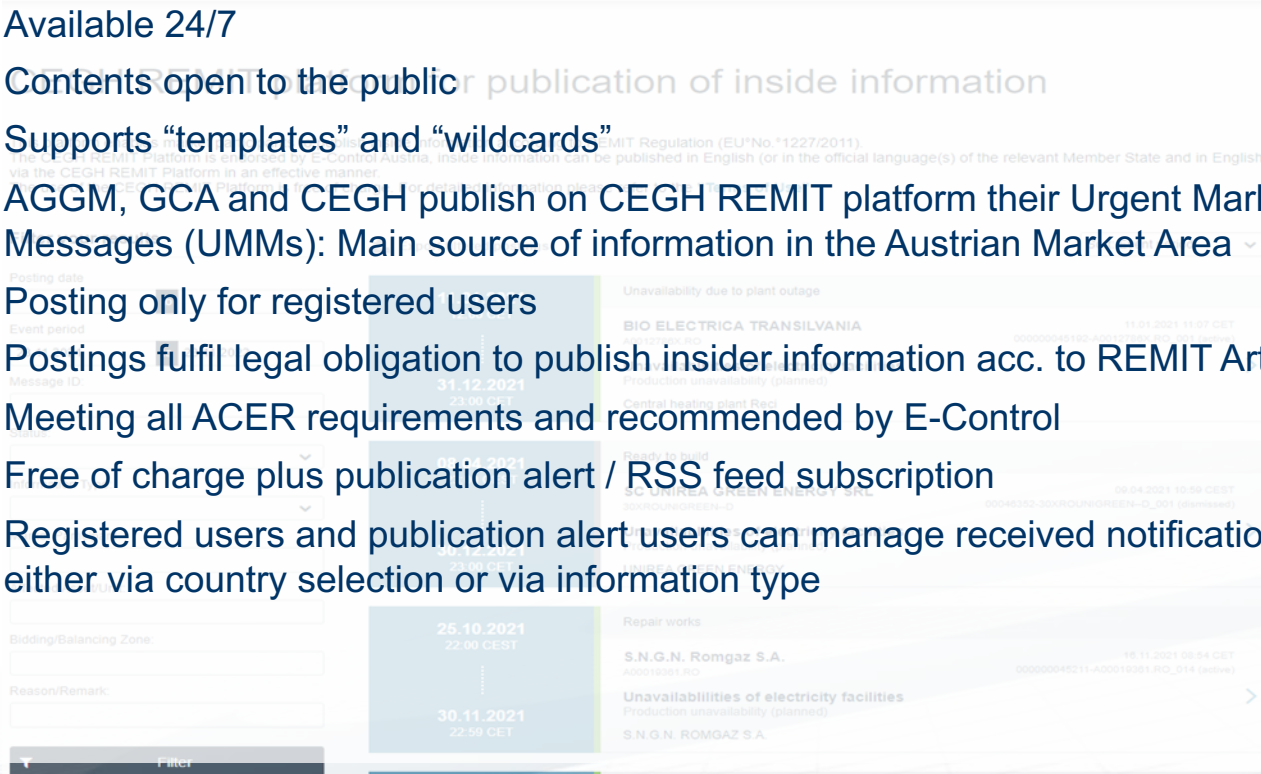
# CEGH VTP: Daily Hub Nominations since January 2013



# CEGH REMIT Platform: [www.cegh.at/remit](http://www.cegh.at/remit)



- Available 24/7
- Contents open to the public publication of inside information
- Supports “templates” and “wildcards”
- AGGM, GCA and CEGH publish on CEGH REMIT platform their Urgent Market Messages (UMMs): Main source of information in the Austrian Market Area
- Posting only for registered users
- Postings fulfil legal obligation to publish insider information acc. to REMIT Art. 4
- Meeting all ACER requirements and recommended by E-Control
- Free of charge plus publication alert / RSS feed subscription
- Registered users and publication alert users can manage received notifications either via country selection or via information type





# CEGH Gas Storage Marketing Platform



OVERVIEW REGISTRATION

## Key Facts

- Launched: November 2018
- + 70 companies registered
- Offered working gas volume: more than 20 TWh
- Primary & secondary capacity marketing
- 3 Categories: 1. Storage Capacity, 2. Gas in Storage, 3. Balance Group Service
- Publication of storage offers (SELL) only for companies with a CEGH contract
- Publication of storage requests (BUY) free of charge for companies until end of Q1 2023

## Framework

- Free to use and easy to register for all interested parties for bidding – no bidding checks and restrictions – everyone can place a bid for every publication on the platform
- 2-ways to use the Storage Platform: auction mode or publication until revoked
- Allocation according to the rules of the initiator who is selling / buying

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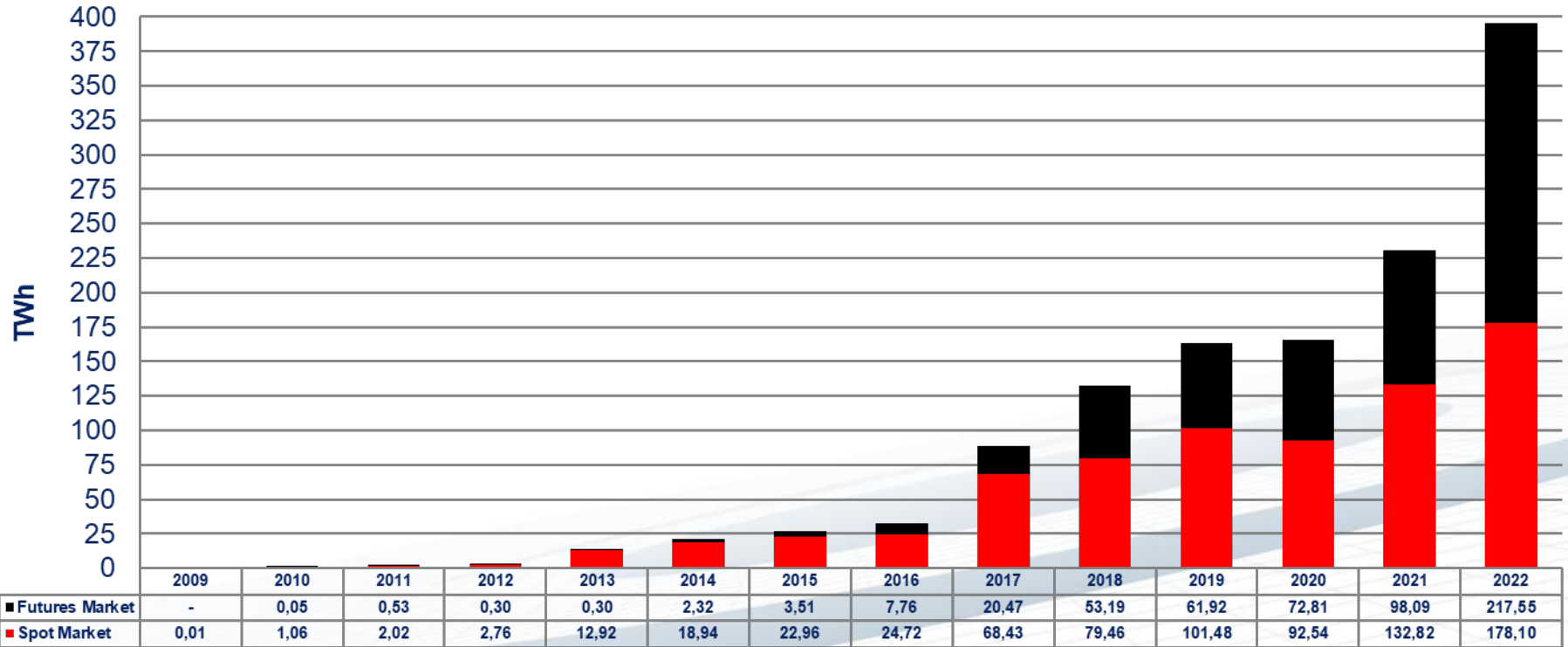


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# EEX CEGH Austrian Gas Market

## Yearly Trading Volume: 2009 – November 2022\*

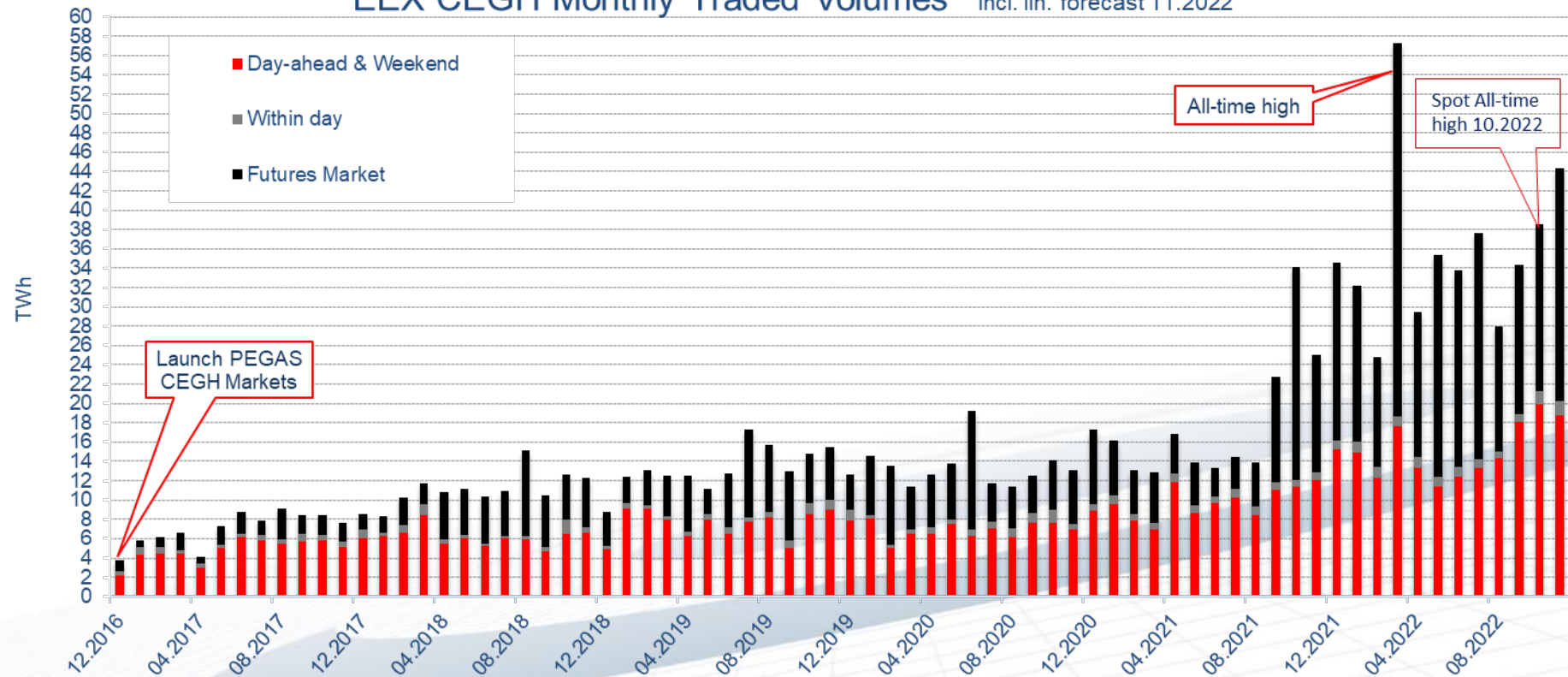


\*(linear forecast)

# Record Volumes on EEX CEGH Austrian Gas Market in Extreme Price Situations



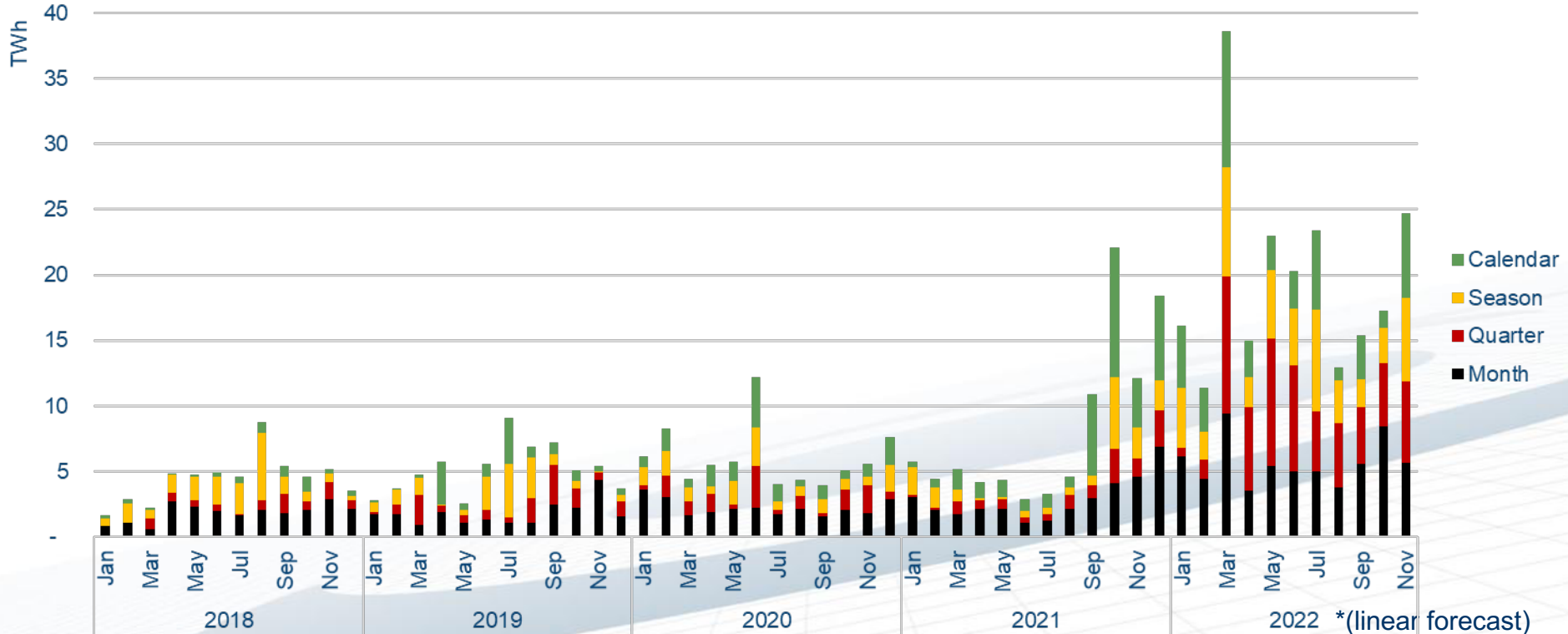
## EEX CEGH Monthly Traded Volumes <sup>\*</sup>incl. lin. forecast 11.2022



# EEX CEGH Austrian Gas Market: Monthly Futures Volume: Jan 2018 – Nov 2022\*



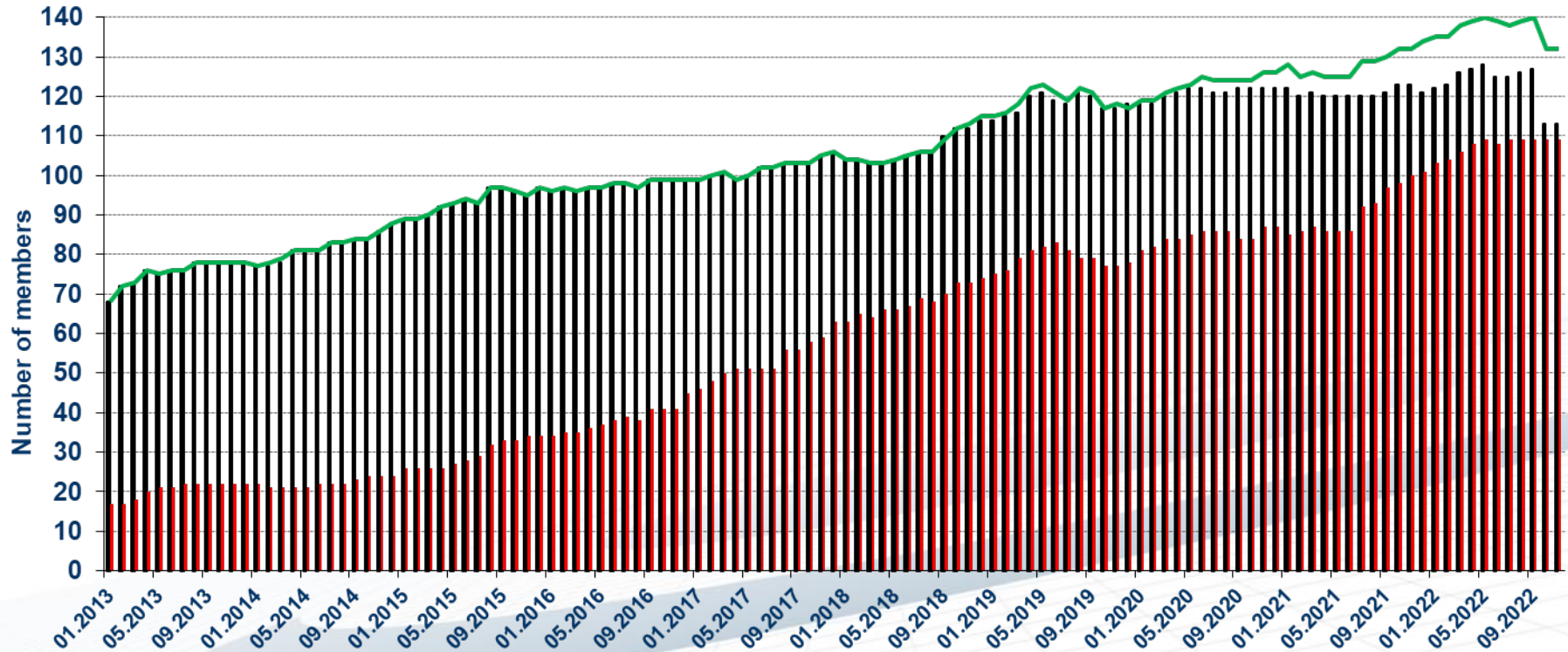
EEX CEGH Futures Traded Volumes



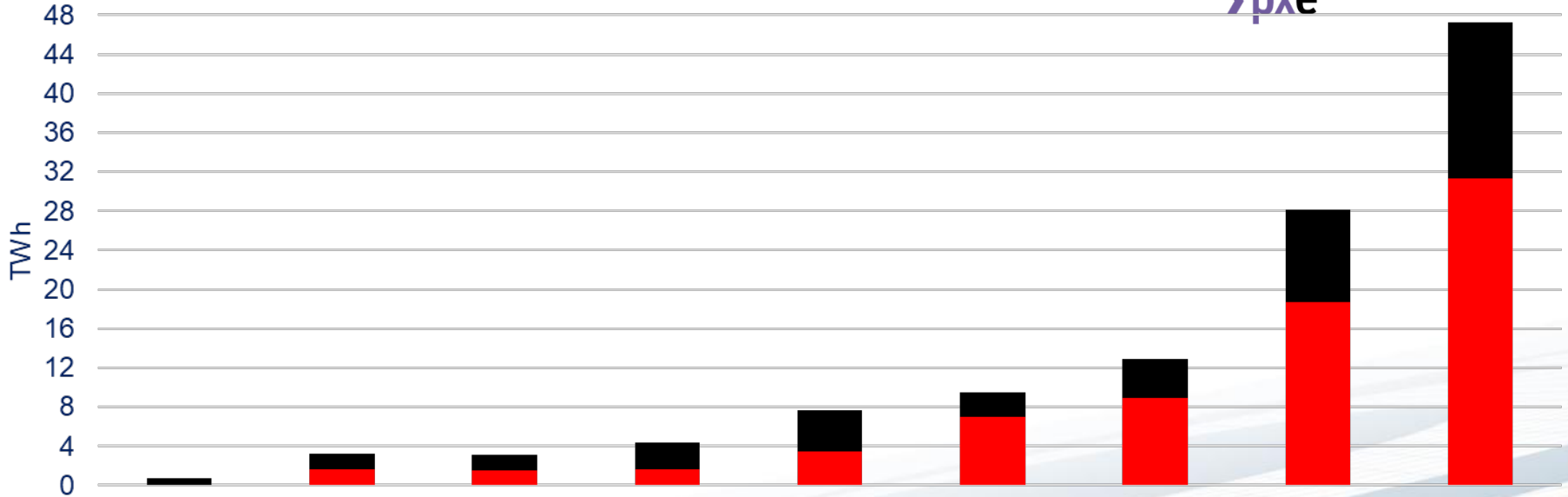
# EEX CEGH Austrian Gas Market: Development of Members since 2013



■ Spot Market ■ Futures Market — Total



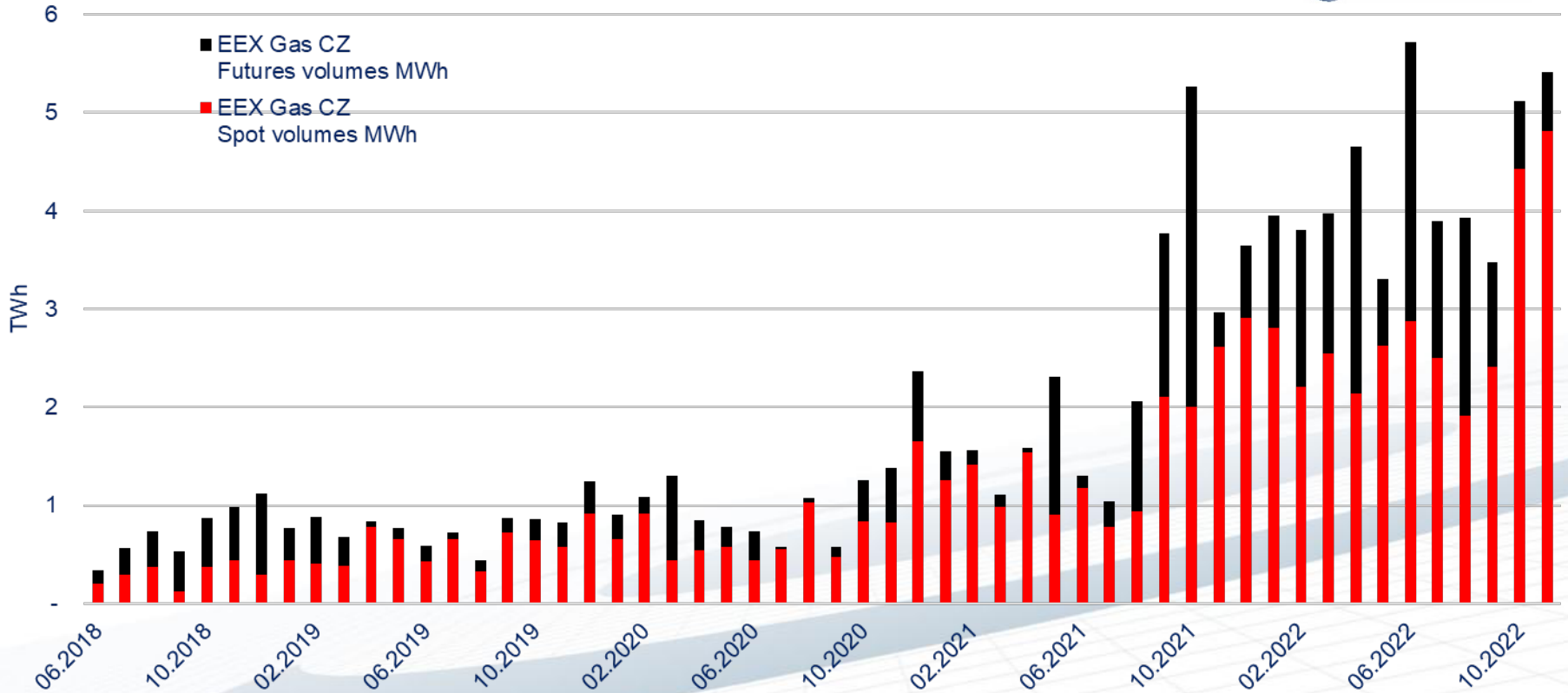
# EEX CEGH Czech Gas Market: Yearly Trading Volume: 2014 – Nov 2022\*



	2014	2015	2016	2017	2018	2019	2020	2021	2022
■ EEX CEGH Gas CZ Futures	745080	1593757	1574601	2 736 787	4 198 844	2 523 905	3 913 803	9 547 575	15 948 445
■ EEX CEGH Gas CZ Spot	0	1584050	1538496	1 604 244	3 472 197	6 975 037	8 967 600	18 643 802	31 295 555

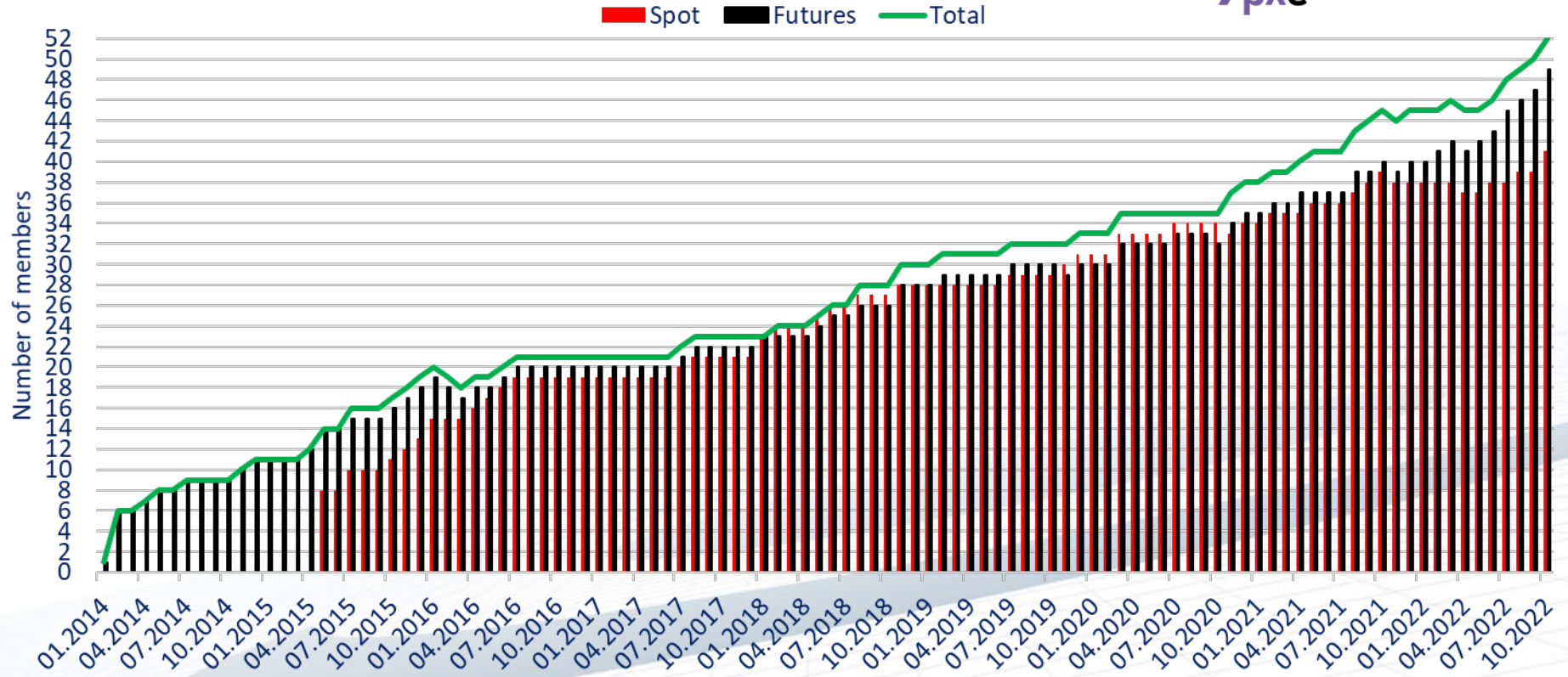
\*(linear forecast)

# EEX CEGH Czech Gas Market: Monthly Trading Volume





# Development of EEX CEGH CZ Gas Market Members since 2014



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## AGENDA CEGH

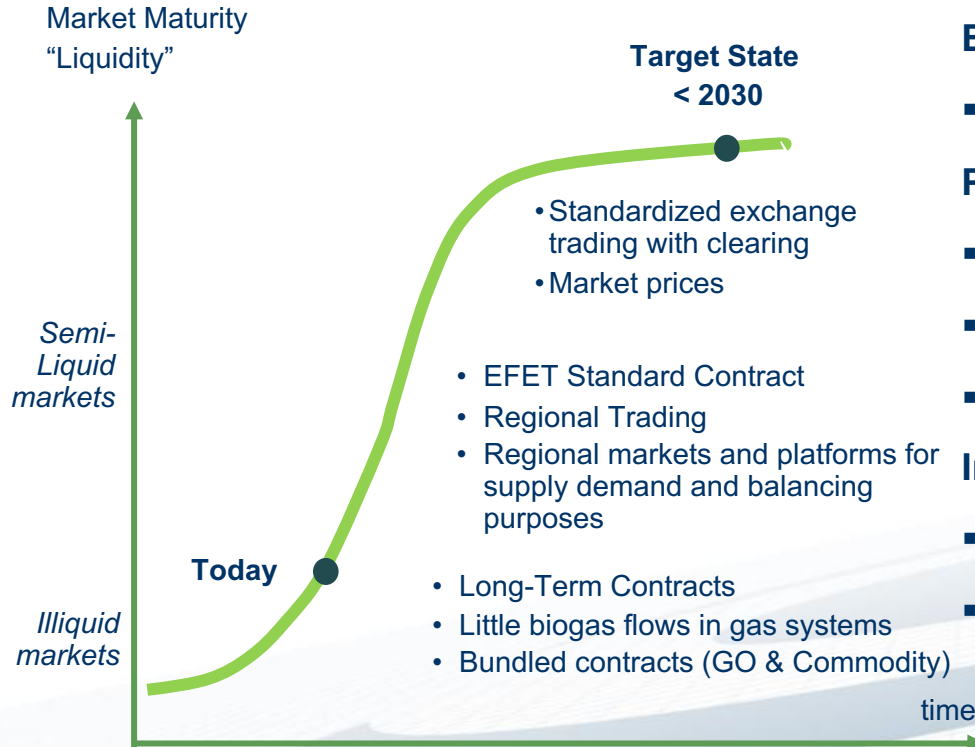
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# Liquid Markets are an Important Building Block for EU Biogas Targets



- Ambitious European targets for Green Gases incl. biogas, but regulatory and institutional framework conditions are still missing, e.g. national registries for Guarantees of Origin (GOs), rules for cross-border trade, standardization, etc.
- Functioning markets are an important pre-condition for biogas expansion: Transparent, robust price signals for efficient resource allocation and long-term investments.
- So far, there is no institutionalized or well-functioning trading in Austria or EU - neither with GOs nor with bundled biomethane.

# Different Instruments are Needed in Different Market Maturity Phases



## Biomethane - Guarantees of Origin

- Standardized products & exchange trading

## Platform based trading

- Standardized Contracts (EFET)
- Transparency on prices and liquidity
- From long term - to short term trading

## Institution building (Registries, Standardization)

- Harmonized Regulatory Framework (e.g. AIB Hub)
- Cross-border trading & recognition

# CEGH GreenGas Platform for Marketing of Green Gases



## CEGH GreenGas Platform – Green Trading with more transparency & liquidity

- **Scope:** CEGH GreenGas Platform for marketing of green gases, such as biogas and hydrogen.
- **Development:** CEGH GreenGas Platform is based on market feedback to meet current needs and wishes of stakeholders.
- **Location:** Service offering for Austria; gradual expansion to Central- and Eastern Europe is planned.
- **Functions:** Basic functions available from the start; new features will be added in line with the needs of the evolving green gas market.
- **Costs:** CEGH GreenGas Platform is free of charge!

# CEGH GreenGas Platform



## Next Steps for Platform Development

- CEGH is in exchange with existing & potential platform users to by way of a Stakeholder Committee regarding further developments of the platform and related topics.
- CEGH marketing activity to attract liquidity on the platform is ongoing.
- Dena-Registry on CEGH GreenGas Platform

## Registry Connection / Cross border activity

- Austria: CEGH GreenGas Platform Users can mandate CEGH to directly notify ownership transfers in the registry of the Austrian Issuing Body (E-Control Austria) and AGCS Biomethanregister.
- Additional Countries: Other national registries will be added to the platform as soon as possible and relevant.

# CEGH GreenGas Platform – New Development



Select Dena-Registry

**CEGH GREENGAS PLATFORM** OVERVIEW CREATE OFFER MEMBERS ADMINISTRATION

### 1. Basic Information

Publication Date (Format: dd.mm.yyyy hh:mm)  
24.11.2022 07:00

Bidding period

specified period (Format: dd.mm.yyyy hh:mm)  
01.12.2022 08:00 to 31.12.2022 23:00

until revised

Notice (optional)

Documents  
[Choose file\(s\)](#)  
Please upload a document describing the award procedure and any additional documents in PDF format (max. 5 MB file size).

### 2. Product Details

Side  
 Bid  Ask

Product  
Guarantees of origin/Certificate

Registry  
DENA  
E-Control (E.ON Energy Register)  
DENA  
E-Control (Guarantees of origin database)

Country of origin  
Germany

Financial support

Criteria

Volume Unit Observation period  
08:00 to 08:00

### 3. Price Details

Bid price

Maximum price (optional) Unit  
€ / kWh

Save





# CEGH GreenGas Platform – New Development



## Select Dena-Registry Select Criterias => Renewable Energy Law

2. Product Details

Site: Bid Ask

Product: Guarantees of origin/Certificate

Registry: DENA Certificate: DENA Guarantees of origin Country of origin: Germany

Bidder registry membership: DENA  
To participate in this offer, bidders must be members of the selected registry.

Financial support

Criteria:

(1) Biomass within the meaning of the Biomass Ordinance (2) Exclusivity (4) Quantity structure is plausible (6) Feed-in quantity into the natural gas network (7) Mass balancing up to the injection into the natural gas network

- (1) Biomass within the meaning of the Biomass Ordinance
- (1b) Broad biomass term EEG 2017
- (2) Exclusivity
- (4) Quantity structure is plausible
- (5) Record of the substances used
- (6) Feed-in quantity into the natural gas network
- (7) Natural gas quality for the entire quantity

2. Product Details

Site: Bid Ask

Product: Guarantees of origin/Certificate

Registry: DENA Certificate: DENA Guarantees of origin Country of origin: Germany

Bidder registry membership: DENA  
To participate in this offer, bidders must be members of the selected registry.

Financial support

Criteria:

(1) Biomass within the meaning of the Biomass Ordinance (2) Exclusivity (4) Quantity structure is plausible (6) Feed-in quantity into the natural gas network (7) Mass balancing up to the injection into the natural gas network

Volume: Unit: kWh/h Observation period: 06.00 to 08.00

Products (no warranty) - As of 06.09.2021

EEG 2004 - Basic tariff Biogas	EEG 2005 - Grundvergütung Biogas	EWarmG 2008 - Heat utilisation Baden Württemberg	EnergieStG - Electricity tax exemption (biomass)
TEHG - Exemption from duty (biomass outside MVO)	KWK 2017 - Innovative heating technologies	KWK 2017 - Innovative heating technologies (share of biomethane in iKWK)	
KWK 2017 - heat networks and storages			

# CEGH Biogas Contract Standardization



## Supporting the development of the Biogasmarket by standardized contract terms

- **Current situation** shows non-liquid and fragmented traded market
- **Cross border transfers** are **not** possible due to missing local regulation / interfaces
- Trading could be facilitated by a "**Standardized Agreement**" e.g. EFET Contract.

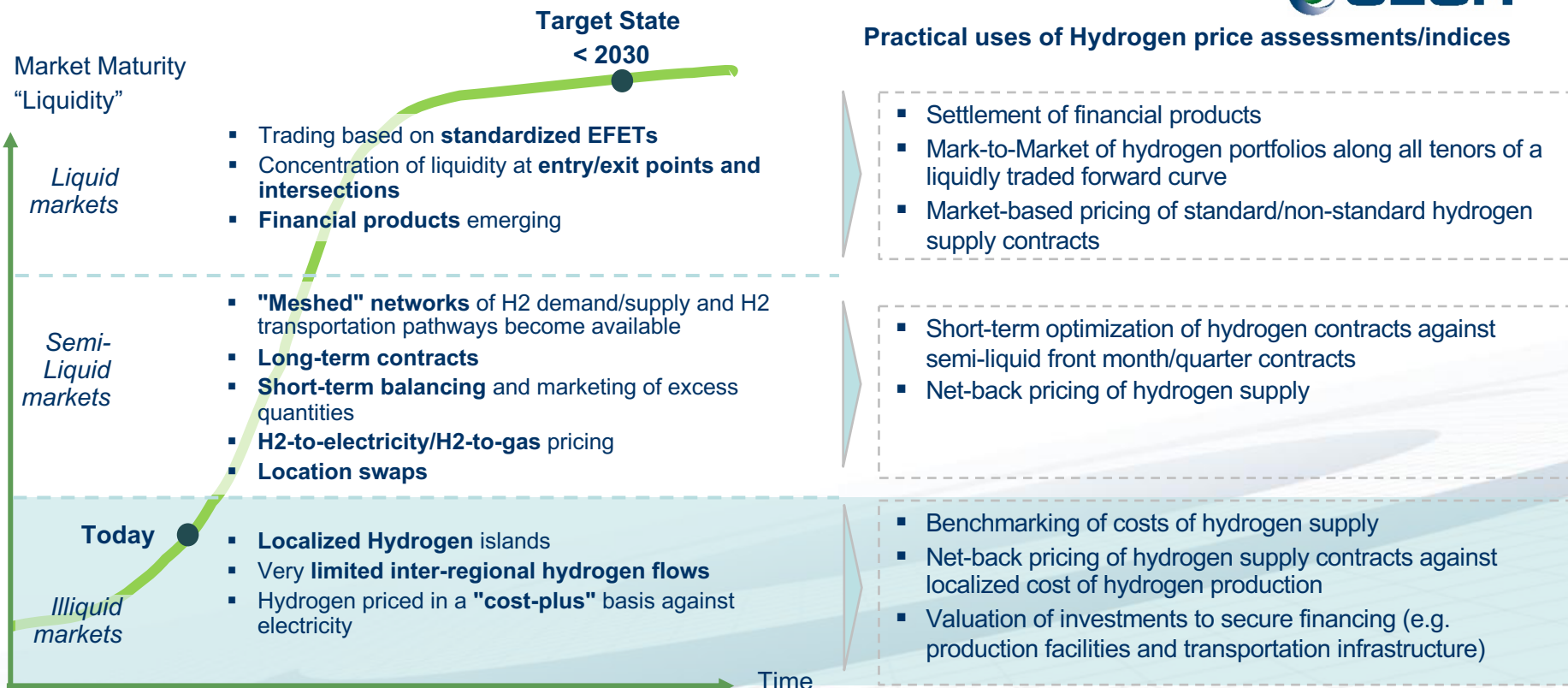
## CEGH effort for development of a Standard Contract

- **EFET CMA**, is used for Power and Biogas GoO transactions and is a business standard
- **CEGH prepared a legal paper** ("Discussion Paper") to facilitate the discussion on a technical level and **to identify relevant topics** for standardization.
- Target is to receive stakeholder feedback and then to develop together with EFET a standard contract.
- Feedback to the discussion paper is appreciated, the paper is available for download here: [CEGH Biogas Contract Standardization Discussion Paper](#)



# **CEGH GreenHydrogen Index**

# Hydrogen Price Indices for Different Purposes at Different Development Stages of the Hydrogen Market



# CEGH supports the Development of Hydrogen Markets



## Provision of CEGH Hydrogen Index

- Publication of **CEGH Hydrogen Index facilitates** monitoring the „cost gap“ between hydrogen and alternative sources of energy supply and enables market participants to evaluate business cases for investing in hydrogen projects.
- **Further enhancements of price assessments** planned once the hydrogen market becomes more liquid leading to new requirements by index users (e.g., benchmarking costs of supply, “net-back pricing”).

## Set Up of a Marketing Platform for Biogas

- **Launch of the CEGH GreenGas Trading Platform** to facilitate trading of Biomethane Guarantees of Origin (GoOs) with or without biogas for the first time in Austria.
- Gradual expansion into other markets in Central - and Eastern Europe planned.
- Upgrade of functionalities according to market feedback.
- **Addition of trading of Green Hydrogen once Green Hydrogen becomes available.**

## Continuous Stakeholder Dialogue

- **CEGH engages with key stakeholders within the emerging hydrogen ecosystem** including politicians, regulators, producers and offtakers.
- Key areas for alignment include regulatory frameworks (e.g., third-party access to hydrogen infrastructure), market model (entry-/exit system vs. physical hub), balancing code, design of framework agreements etc.

## Save-the-Date!

If you are interested in our  
CEGH GreenHydrogen Index,  
we will host a

## Webinar

on

**20 December 2022,**

**14:00 – 15:00**

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# EEX & ECC Clearinghouse Procedures in Case of Supply Curtailments



- **EEX considers it essential to have access to a central and transparent market** that enables its participants **to manage and transfer risk** through trading and central clearing.
- However, **major disruptions** of gas delivery **might trigger temporary measures**
  - ▶ in the form of a **volatility interruption**, or
  - ▶ a temporary **suspension of the EEX gas derivatives** market to avoid irrational price movements.
- **EEX aims to keep the Spot Market open for trading at any time.**
- On **CEGH VTP**, **nominations of ECC** would only **be curtailed as a last resort** according to the CEGH GTCs to keep balancing available as long as possible.
- **ECC nominations for trades already concluded would continue to be nominated to the CEGH VTP**, even in case of EEX market suspension. ECC will exercise margin calls if required; indices would be published, if necessary with defined fallback procedure.
- **Detailed information can be found here:**  
<https://www.ecc.de/de/newsroom/circulars> and <https://www.eex.com/en/faq>



# CEGH Procedures in Case of Supply Curtailments



## Procedures on the CEGH Virtual Trading Point (VTP)

- In case of a supply disruption / curtailment of gas, **CEGH will continue to provide its title transfer service** and asks all members to monitor the situation closely and to **keep nominations to the VTP balanced**.
  - **Please coordinate any re-nominations with your counterparties**, as in case of mismatches the lesser rule will be applied.
  - Balancing via the gas exchange by the Market Area Manager (MADAM) might not be possible any longer to the full extent, due to a lack of gas / volatile prices. Please avoid imbalances!
- **A supply disruption / curtailment of gas itself would not to be considered a “Force Majeure Event”** under the CEGH General Terms and Conditions. The reason for this is that such event would not hamper the ability of CEGH to perform the VTP title transfer service.
- **Curtailments of VTP positions would only** be done by CEGH, **in case of an order / request by the Market Area Manager / Authorities** according to applicable market rules.

# Procedures in Case of CEGH Service Interruption



**Procedures if CEGH is not able to offer its services for different reasons (e.g. Power Outage, Internet failure)**

- **CEGH will inform all customers via CEGH REMIT Platform and Newsletter** about the interruption of its services (if possible).
- The **message will contain all relevant / available information** about the problem and affected services.
- **Customers** will be asked to **keep their nominations unchanged** during the interruption as the changes cannot be communicated to system operators and counterparties.
- If an **emergency communication is possible**, you will be informed, but **please coordinate re-nominations with your counterparties**, as in case of mismatches the **lesser rule** will be applied.
- Balancing via the gas exchange by the Market Area Manager (MADAM) might not be possible as the Within Day Market could be halted. Please avoid imbalances!

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**Thank you very much  
for your attention**

