



# 45th IG Meeting South Gas Regional Initiative

February 2018



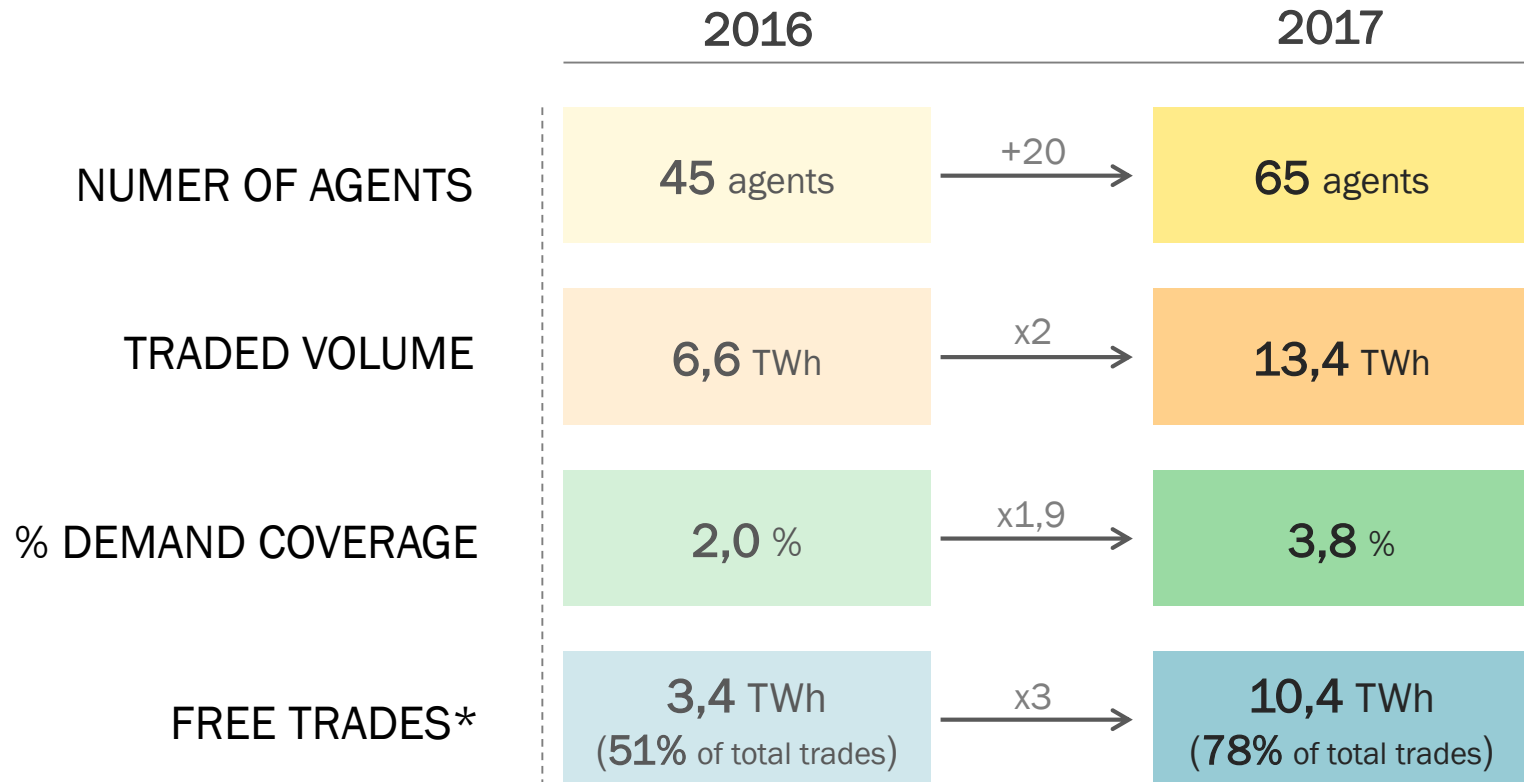
1

# MARKET RESULTS 2016 & 2017

# SPAIN – PORTUGAL MARKET INTEGRATION

## MARKET RESULTS OF 2016 AND 2017

Comparison of the market results of 2016 and 2017



\*"Free trades" does not include Balancing actions and Operational, Cushion & Heel gas.

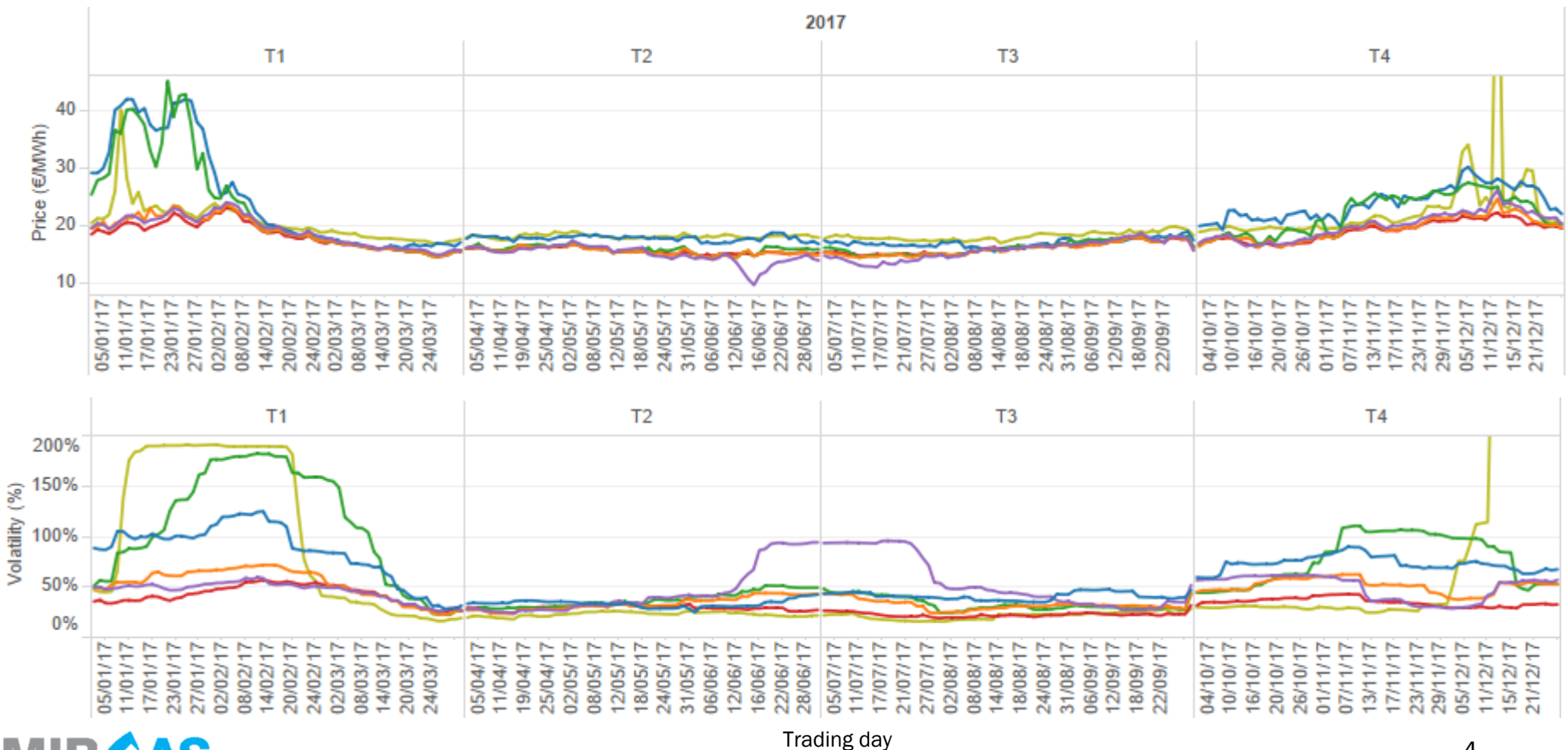
# SPAIN – PORTUGAL MARKET INTEGRATION

## PRICE EVOLUTION DURING 2017

European prices [€/MWh] and volatility [%] of the daily product with delivery the day ahead (D+1) excluding weekends (1 January – 31 December 2017)

Calculation method: standard deviation with 30 samples (30 days temporary window excluding weekends).

- MIBGAS - Spain
- NBP - UK
- PEG - France Nord
- TRS - France South
- TTF - Netherlands
- PSV - Italy





2

# SPAIN – PORTUGAL MARKET INTEGRATION

# SPAIN – PORTUGAL MARKET INTEGRATION

## STATE OF PLAY AND WAY FORWARD

MIBGAS has already been designated as the Portuguese balancing platform:

- Portuguese Government: Portaria n.º 643/2015
- ERSE: Regulamento de Relações Comerciais do Setor do Gás Natural (RRCSG)
- ERSE: DIRETIVA N.º 16 / 2016. Manual de Procedimentos da Gestão Técnica Global do SNGN

Spanish Government authorized MIBGAS to offer products delivered in the VTP: Orden ETU/1283/2017

In order to be able to offer Portuguese products on MIBGAS Platform, it is also required:

- An International Agreement between both Spanish and Portuguese Governments.
- New Market Rules which include Portuguese products and market coupling mechanism.
- MoU between ERSE and CNMC for the supervision of the Gas Organized Market, including Portuguese products.
- Information exchange protocol between MIBGAS and REN regarding authorized agents and notifications.

In the meantime, REN carries out balancing actions through a “transitory regime” that consists on request auctions held by OMIP.



3

UPCOMING EVENTS  
MIBGAS DERIVATIVES

# MIBGAS DERIVATIVES

## GENERAL PRINCIPLES AND UPCOMING EVENTS

1

On December 2016, MIBGAS was authorized to trade the following products:

- NG products with delivery in the PVB beyond the M + 1 (*upcoming*)
- NG products with delivery in the underground storage (*2<sup>nd</sup> quarter 2018*)
- LNG products with delivery in regasification plants (*2<sup>nd</sup> quarter 2018*)

2

MIBGAS Derivatives, a subsidiary of MIBGAS, is set up as the Market Operator for these products.

3

Products traded on MIBGAS Derivatives are physical products, to the extent that they are not captured by MIFID II regulation.



# MIBGAS DERIVATIVES

## GENERAL PRINCIPLES AND UPCOMING EVENTS

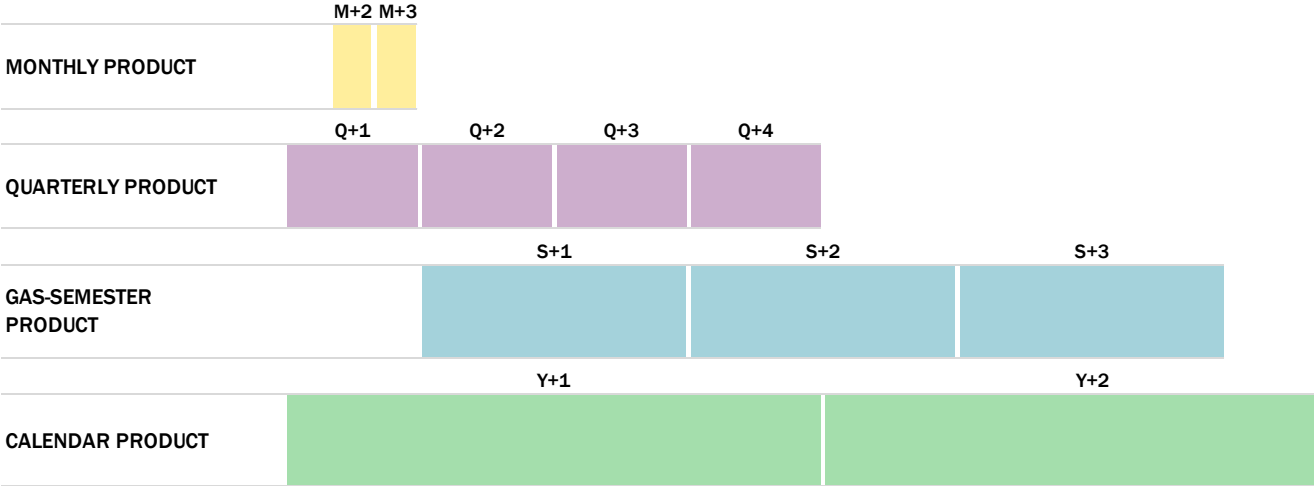


MIBGAS Derivatives includes two market segments: MIBGAS Derivatives Futures for futures products and MIBGAS Derivatives Spot for LNG and underground storage spot products.

### MIBGAS DERIVATIVES FUTURES SEGMENT

#### NG IN PVB

(Upcoming)



### MIBGAS DERIVATIVES SPOT SEGMENT *(2<sup>nd</sup> quarter 2018)*

#### LNG IN REGASIFICATION PLANTS

#### NG IN UNDERGROUND STORAGE

SPOT

SPOT

# MIBGAS DERIVATIVES

## GENERAL PRINCIPLES AND UPCOMING EVENTS

5

On November 2017, MIBGAS Derivatives and OMIClear announced an agreement whereby OMIClear will provide clearing and settlement service for the futures products transactions traded on MIBGAS Derivatives.

6

On January 2018, MIBGAS Derivatives:

- Published the Market Rules for MIBGAS Derivatives Futures
- Opened the registration of agents

7

The launch of futures products negotiation will be announced in the next few weeks, once OMIClear has finally obtained the authorization from its financial regulator.



THANK YOU FOR YOUR  
ATTENTION

Alfonso XI, 6. 28014 Madrid (Spain)  
[www.mibgas.es](http://www.mibgas.es) | T (+34) 91 268 26 01