



Implementation Regulation on
Accountability Levels for
Commodity Derivates with
Physical Settlement and Expiry
Limits

The English version is for information
purposes only. Only the German version
is legally binding.

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1. General

1.1 Background

Pursuant to Article 26f (1) of the Exchange Act in conjunction with Article 2 (2) of Regulation (EU) No. 2022/1299, European Energy Exchange (EEX) is required to establish accountability levels (AL) for commodity derivatives with physical fulfilment (products) tradable on it as part of its position management controls for the delivery periods Spot Month¹ and Other Month², respectively.

Pursuant to Section 62 (2) of the Exchange Rules, the Management Board of the Exchange is also entitled to set expiry limits as a purely market platform- and product-related position limits for physically settled gas futures.

With this Implementation Regulation, the Management Board of the Exchange publishes the respective accountability levels (see sections 2.2 and 2.3) and expiry limits (see section 3.2) it has determined.

1.2 Meaning

1.2.1 Accountability Levels

Accountability levels are no position limits within the meaning of Section 62 (1) and (2) of the Exchange Rules or Articles 54–56 of the German Securities Trading Act (WpHG). They merely support the exchange in detecting whether position concentrations are or have arisen in the relevant products that could lead to price distortion, market manipulation or other abusive trading practices.

1.2.2 Expiry Limits (applicable as of February 2025)

Expiry limits are purely market platform and product-related position limits. Expiry limits apply to Exchange Participants who have been recognised by European Commodity Clearing AG as trading participants for physically settled gas derivatives without having provided evidence of corresponding balancing groups. Expiry limits apply to the total net position held by an Exchange Participant in physically settled gas derivatives³ for a market area from transactions concluded on EEX and EEX OTF without having provided evidence of a corresponding balancing group.

Expiry limits apply from the 5th Exchange Day before the first delivery day of the delivery period (D-5) until 12 (noon) on the Last Trading Day of the respective Month Future. During this period, the expiry limits must not be exceeded at any time.

The affected positions must have been closed by the Exchange Participant at 12 (noon) on the Last Trading Day at the latest.

¹ Spot Month is the delivery month that goes into delivery next.

² Other Month includes all delivery periods Month, Quarter, Season, Year that are not covered by Spot Month.

³ Combines the delivery periods Year, Season, Quarter and Month.

1.3 Procedure

1.3.1 Accountability Levels

The Market Surveillance Office monitors all open positions in commodity derivatives with physical fulfilment at the level of the end position holders based on the daily position reports. Positions that serve to mitigate risk and that are flagged accordingly (hedging flag) are not considered in the assessment, as they can usually be assumed to have a legitimate interest.

If an accountability level is significantly or repeatedly exceeded with an open position, the Market Surveillance Office may request further information from the Trading Participant concerned about the nature and purpose of the positions held in this product for itself or its clients (Section 63 (2) of the Exchange Rules), if this is necessary for its assessment, taking into account the information already available on the position. The Trading Participant concerned is obliged to provide information pursuant to Section 63 (2) (b).

The Market Surveillance Office regularly reports to the Management Board of the Exchange the results of position monitoring, including any necessary corrections to the position parameters (e.g., subsequent setting of the hedging flag, change from proprietary to client position, etc.).

Based on these reports, the Management Board of the Exchange will, if necessary, request further information from the Trading Participants concerned or mandate the Market Surveillance Office accordingly. If, based on the information available, the Management Board of the Exchange concludes that a position leads to price distortions, market manipulation or other abusive trading practices, it may, in accordance with Section 63 (3) of the Exchange Rules, order the Trading Participant concerned to:

- temporarily or permanently liquidate or reduce the position entered into and, if the person concerned fails to do so, unilaterally take appropriate measures to ensure that the position is liquidated or reduced, and
- temporarily return liquidity to the market at an agreed price and to an agreed extent specifically for the purpose of mitigating the effects of a large or dominant position.

1.3.2 Expiry Limits

The Market Surveillance Office monitors compliance with the expiry limits by the Exchange Participants concerned during the period of application.

The Market Surveillance Office regularly reports to the Management Board of the Exchange on the results of position monitoring. The Management Board of the Exchange or its agents will take appropriate measures if an expiry limit is exceeded, e.g. require the Exchange Participant concerned to comply with the relevant expiry limit and, if necessary, to reduce the existing position accordingly and, if the person concerned fails to do so, to unilaterally take appropriate measures to ensure the liquidation or reduction.

1.4 Entry Into Force

This Implementing Regulation shall enter into force on 1 January 2024. Unless otherwise specified, amendments thereto shall enter into force on the day following their publication.

2. Accountability Levels

2.1 Methodology

In accordance with the requirements of Regulation (EU) No. 2022/1299, the accountability levels (AL) for products were determined pursuant to the following methodology:

1. Determination of the respective concentration measure (CM) per product and end position holder according to the daily position reports:
 - a. Determination of CM per day for at least 3 consecutive months (historical period).
 - b. If the CM for long and short positions in a commodity derivative is different, the higher value (maximum CM) is decisive (maximum approach).
 - c. From the maximum CM (b) for the historical period (a), the average value for the next step (2.) is determined.
2. Categorization of products into liquidity categories based on CM values and determination of the liquidity category “No”:

Liquidity Category	Description
<i>high</i>	high liquidity (CM ≤ 15 %)
<i>medium</i>	medium liquidity (15 % < CM ≤ 25)
<i>less</i>	less liquidity (25 % < CM)
<i>no</i>	No end-of-day positions on at least one trading day or less than 5 different end position holders with open positions

3. Determination of an AL% for each liquidity category
 - a. For each liquidity category, EEX sets a constant AL%.
 - b. No AL% and no AL for products in the liquidity category “No”
4. Calculates the respective AL for the Spot and Other Month maturities by multiplying AL% by the Deliverable Supply (DS) and Net Open Interest, respectively.

2.2 Products in Spot Month

In accordance with the methodology outlined in section 2.1, the following accountability levels apply to the below listed products in the Spot Month:

Products	Exchange Code	Accountability Level in MWh
EEX CEGH VTP Natural Gas Month Futures	G8BM	28,997,021
EEX CZ VTP Natural Gas Month Futures	G1BM	28,599,885
EEX NBP Natural Gas Month Futures	G9BM	72,444,382
EEX PEG Natural Gas Month Futures	G5BM	53,230,966
EEX PSV Natural Gas Month Futures	GCBM	80,320,898
EEX PVB Natural Gas Month Futures	GEBM	33,678,549
EEX THE Natural Gas Month Futures	G0BM	51,111,166
EEX TTF Natural Gas Month Futures and Options ⁴	G3BM and O3FM	26,822,888
EEX ZTP Natural Gas Month Futures	GBBM	41,923,341

2.3 Products in Other Month

In accordance with the methodology outlined in section 2.1, the following accountability levels apply to the following products in the Other Month:

Products	Exchange Code	Accountability Level in MWh
EEX CEGH VTP Natural Gas Futures	G8B*	7,467,450
EEX CZ VTP Natural Gas Futures	G1B*	1,921,950
EEX NBP Natural Gas Futures	G9B*	–
EEX PEG Natural Gas Futures	G5B*	15,165,970
EEX PSV Natural Gas Futures	GCB*	1,499,561
EEX PVB Natural Gas Futures	GEB*	5,842,080
EEX THE Natural Gas Futures	G0B*	44,418,869
EEX TTF Natural Gas Futures and Options ³	G3B* and O3FM	60,774,116
EEX ZTP Natural Gas Futures	GBB*	4,561,874

⁴ Options will be considered in correspondence to their respective option delta.

3. Expiry Limits (applicable as of February 2025)

3.1 Methodology

The expiry limits for physically settled gas derivatives are determined as follows:

1. The minimum of the accountability level for the spot month and the accountability level for the other month for the physically settled gas derivatives of a market area is determined (in MWh).
2. The tenth part of this minimum is converted into the corresponding number of lots (number of contract positions).
3. This number of lots is adjusted accordingly depending on the trading opportunities on EEX (including EEX OTF) for the respective market area, particularly the liquidity of the respective EEX Derivatives Market products, the correlation to other EEX gas market areas and the liquidity of the respective EEX Spot Market, and results in the respective expiry limit.
4. The expiry limit is 0 (zero) for market areas without sufficient liquidity on EEX.

3.2 Expiry Limits

In accordance with the methodology outlined in Section 3.1, the following physically settled gas derivatives are subject to the following expiry limits:

Physically settled Gas derivative (each incl. EEX OTF)	Expiry Limit as of D-5 (in lots)	Expiry Limit as of 12 pm on the Last Trading Day (in lots)
EEX CEGH VTP Natural Gas Futures	1,000	0
EEX CZ VTP Natural Gas Futures	300	0
EEX ETF Natural Gas Futures	0	0
EEX NBP Natural Gas Futures	0	0
EEX PEG Natural Gas Futures	50,600	0
EEX PSV Natural Gas Futures	0	0
EEX PVB Natural Gas Futures	12,000	0
EEX THE Natural Gas Futures	3,700	0
EEX TTF Natural Gas Futures and Optionen ⁵	3,700	0
EEX ZTP Natural Gas Futures	300	0

⁵ Options will be considered in correspondence to their respective option delta.