



# **BALKAN GAS HUB EAD**

## **Operator of the BGH Natural Gas Trading Platform**

OCTOBER 2020

# 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 Program (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: OCTOBER 2020



- ACTAEL EOOD
- AIK Energy Austria
- AIK Energy Romania S.R.L.
- Allianz Energy Bulgaria LLC
- Axpo Bulgaria
- BULGARGAZ EAD
- BULGARIAN GAS COMPANY
- DANSKE COMMODITIES A/S
- DEPA S.A.
- Dexia Bulgaria OOD
- EKOS 17 Ltd
- ELPEDISON S.A.
- Elpetra Energy EAD
- ENERGIKO
- 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
- OVERGAS MREZHI AD
- 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: MONTHLY PRODUCTS



\* Monthly deals data are published when there are more than 3 transactions for the respective period in view of keeping the confidentiality under the non-anonymous long-term segment deals and show information for all transactions, concluded or registered for transactions with an implementation period equal or greater than a calendar month, excluding transactions under the Gas Release Programme. In respect to the flexibility of deals with an implementation period over 30 days regarding quantity and

Month of delivery	BGH Price	Public Provider Price	BGH - Public Provider Difference in %
January 2020	39,33 BGN	44,04 BGN	11,98%
February 2020	40,88 BGN	44,04 BGN	7,73%
March 2020	35,46 BGN	44,04 BGN	24,20%
April 2020	23,92 BGN	25,20 BGN	5,35%
May 2020	21,27 BGN	22,35 BGN	5,08%
June 2020	18,84 BGN	20,33 BGN	7,91%
July 2020	17,29 BGN	19,10 BGN	10,47%
August 2020	17,65 BGN	18,67 BGN	5,78%
September 2020	21,32 BGN	22,46 BGN	5,35%

Balkan Gas Hub Monthly product data - <http://balkangashub.bg/en>

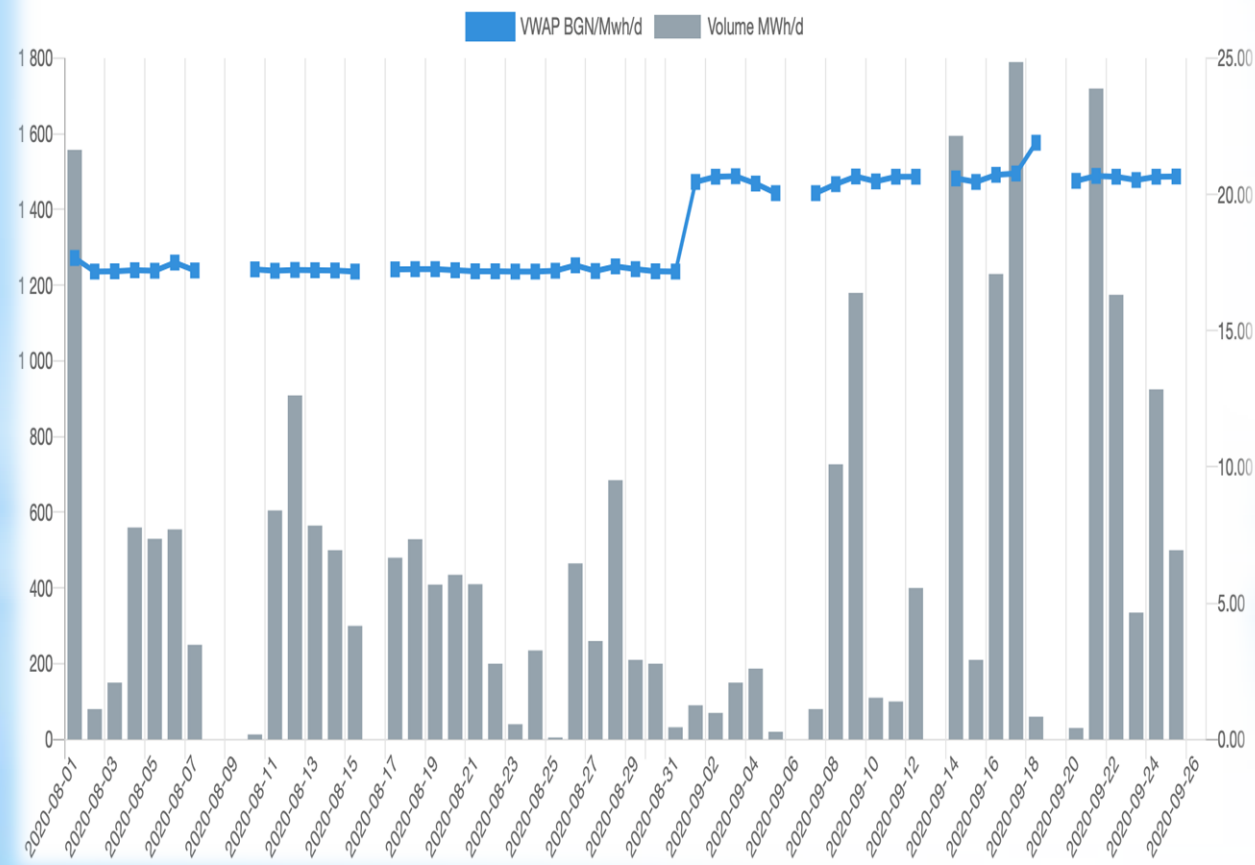
Bulgarian NRA - EWRC - <https://www.dker.bg/bg/resheniya/resheniya-za-2020-god.html>

# TRADING DATA: WITHIN-DAY



Intraday
Day Ahead
Weeks
Months
Aug 1, 2020 - Sep 26, 2020
Table
Chart

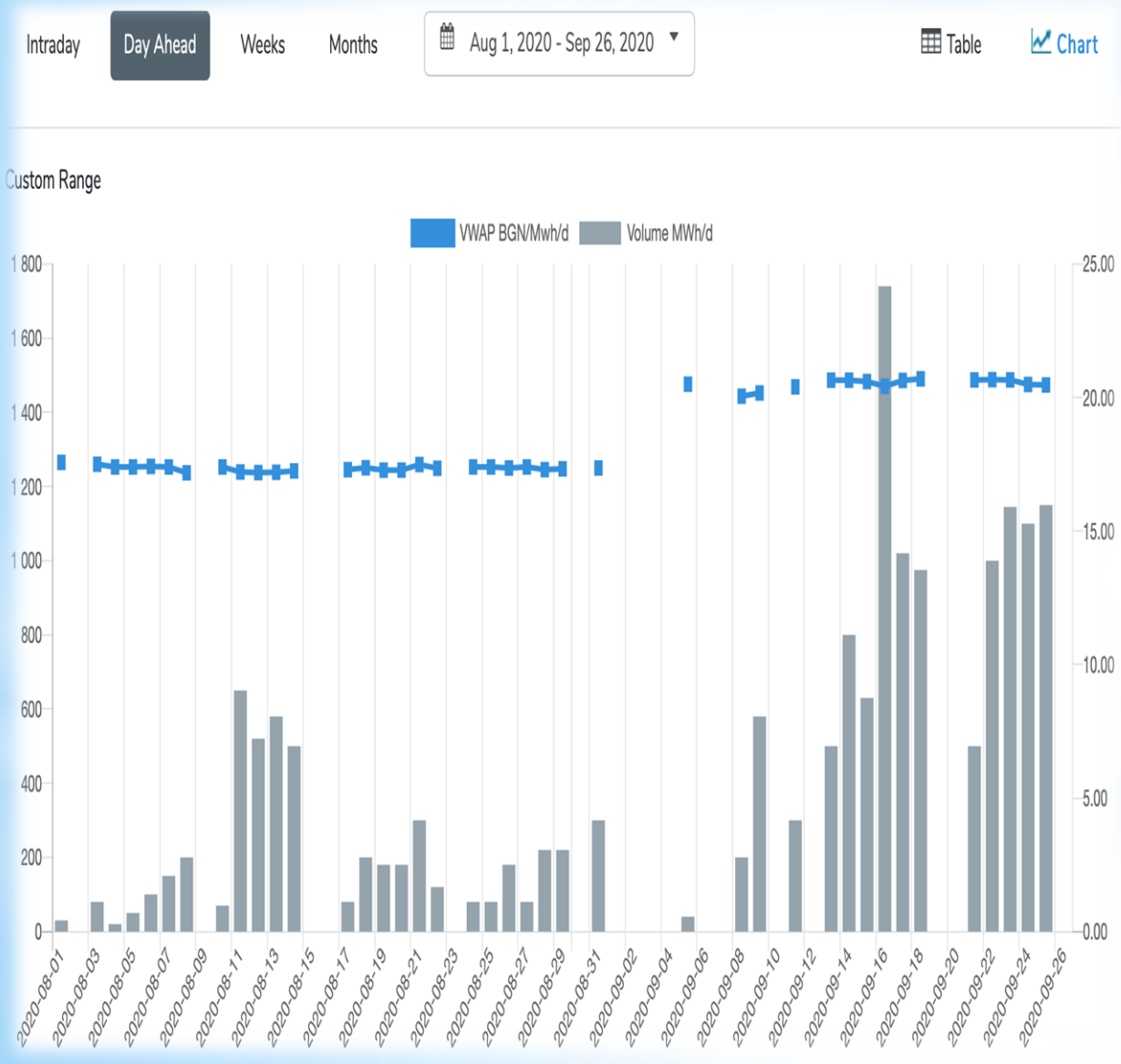
Custom Range



September 2020	CEGH September WD Price	CEGH September WD Prices	BGH September WD Prices	Public Provider Regulated price	CEGH - BGH Difference in %	BGH - Public Provider Difference in %
1.9.2020	11,527 €	22,54 BGN	20,46 BGN	22,46 BGN	9,25%	8,90%
2.9.2020	11,308 €	22,12 BGN	20,65 BGN	22,46 BGN	6,63%	8,06%
3.9.2020	11,449 €	22,39 BGN	20,67 BGN	22,46 BGN	7,69%	7,97%
4.9.2020	11,896 €	23,27 BGN	20,40 BGN	22,46 BGN	12,32%	9,17%
5.9.2020	11,745 €	22,97 BGN	20,05 BGN	22,46 BGN	12,72%	10,73%
6.9.2020	11,737 €	22,96 BGN	N/A	22,46 BGN	N/A	N/A
7.9.2020	11,684 €	22,85 BGN	20,05 BGN	22,46 BGN	12,26%	10,73%
8.9.2020	11,222 €	21,95 BGN	20,38 BGN	22,46 BGN	7,15%	9,26%
9.9.2020	10,971 €	21,46 BGN	20,66 BGN	22,46 BGN	3,72%	8,01%
10.9.2020	11,065 €	21,64 BGN	20,48 BGN	22,46 BGN	5,37%	8,82%
11.9.2020	10,457 €	20,45 BGN	20,65 BGN	22,46 BGN	-0,97%	8,06%
12.9.2020	10,561 €	20,66 BGN	20,65 BGN	22,46 BGN	0,03%	8,06%
13.9.2020	10,566 €	20,67 BGN	N/A	22,46 BGN	N/A	N/A
14.9.2020	10,955 €	21,43 BGN	20,59 BGN	22,46 BGN	3,90%	8,33%
15.9.2020	10,867 €	21,25 BGN	20,46 BGN	22,46 BGN	3,74%	8,90%
16.9.2020	11,482 €	22,46 BGN	20,72 BGN	22,46 BGN	7,73%	7,75%
17.9.2020	11,459 €	22,41 BGN	20,77 BGN	22,46 BGN	7,33%	7,52%
18.9.2020	11,052 €	21,62 BGN	21,90 BGN	22,46 BGN	-1,31%	2,49%
19.9.2020	11,265 €	22,03 BGN	N/A	22,46 BGN	N/A	N/A
20.9.2020	11,402 €	22,30 BGN	20,50 BGN	22,46 BGN	8,07%	8,73%
21.9.2020	11,542 €	22,57 BGN	20,68 BGN	22,46 BGN	8,39%	7,93%
22.9.2020	11,457 €	22,41 BGN	20,65 BGN	22,46 BGN	7,85%	8,06%
23.9.2020	12,029 €	23,53 BGN	20,53 BGN	22,46 BGN	12,74%	8,59%
24.9.2020	11,775 €	23,03 BGN	20,65 BGN	22,46 BGN	10,33%	8,06%
25.9.2020	11,208 €	21,92 BGN	20,66 BGN	22,46 BGN	5,75%	8,01%
26.9.2020	12,068 €	23,60 BGN	20,10 BGN	22,46 BGN	14,84%	10,51%
27.9.2020	11,993 €	23,46 BGN	N/A	22,46 BGN	N/A	N/A
28.9.2020				22,46 BGN		
29.9.2020				22,46 BGN		
30.9.2020				22,46 BGN		

fixed exchange rate 1 euro = 1,95583 лв.  
 EEX Spot Market Data - <https://www.powernext.com/spot-market-data> - CEGH VTP  
 Balkan Gas Hub WD product data - <http://balkangashub.bg/en>  
 Bulgarian NRA - EWRC - <https://www.dker.bg/bg/resheniya/resheniya-za-2020-god.html>

# TRADING DATA: DAY-AHEAD



September 2020	CEGH September DA Price	CEGH September DA Prices	BGH September DA Prices	Public Provider Regulated price	CEGH - BGH Difference in %	BGH - Public Provider Difference in %
1.9.2020	10,179 €	19,91 BGN	N/A	22,46 BGN	N/A	N/A
2.9.2020	11,391 €	22,28 BGN	N/A	22,46 BGN	N/A	N/A
3.9.2020	11,106 €	21,72 BGN	N/A	22,46 BGN	N/A	N/A
4.9.2020	11,502 €	22,50 BGN	N/A	22,46 BGN	N/A	N/A
5.9.2020	11,754 €	22,99 BGN	20,50 BGN	22,46 BGN	10,83%	8,73%
6.9.2020	11,754 €	22,99 BGN	N/A	22,46 BGN	N/A	N/A
7.9.2020	12,052 €	23,57 BGN	N/A	22,46 BGN	N/A	N/A
8.9.2020	11,618 €	22,72 BGN	20,05 BGN	22,46 BGN	11,76%	10,73%
9.9.2020	11,250 €	22,00 BGN	20,17 BGN	22,46 BGN	8,33%	10,20%
10.9.2020	11,191 €	21,89 BGN	N/A	22,46 BGN	N/A	N/A
11.9.2020	10,935 €	21,39 BGN	20,40 BGN	22,46 BGN	4,61%	9,17%
12.9.2020	10,514 €	20,56 BGN	N/A	22,46 BGN	N/A	N/A
13.9.2020	10,514 €	20,56 BGN	20,65 BGN	22,46 BGN	-0,42%	8,06%
14.9.2020	10,471 €	20,48 BGN	20,65 BGN	22,46 BGN	-0,83%	8,06%
15.9.2020	10,817 €	21,16 BGN	20,60 BGN	22,46 BGN	2,63%	8,28%
16.9.2020	10,836 €	21,19 BGN	20,42 BGN	22,46 BGN	3,65%	9,08%
17.9.2020	11,474 €	22,44 BGN	20,64 BGN	22,46 BGN	8,03%	8,10%
18.9.2020	11,428 €	22,35 BGN	20,70 BGN	22,46 BGN	7,39%	7,84%
19.9.2020	10,951 €	21,42 BGN	N/A	22,46 BGN	N/A	N/A
20.9.2020	10,951 €	21,42 BGN	N/A	22,46 BGN	N/A	N/A
21.9.2020	11,010 €	21,53 BGN	20,66 BGN	22,46 BGN	4,06%	8,01%
22.9.2020	11,507 €	22,51 BGN	20,67 BGN	22,46 BGN	8,16%	7,97%
23.9.2020	11,462 €	22,42 BGN	20,66 BGN	22,46 BGN	7,84%	8,01%
24.9.2020	11,898 €	23,27 BGN	20,49 BGN	22,46 BGN	11,95%	8,77%
25.9.2020	11,783 €	23,05 BGN	20,47 BGN	22,46 BGN	11,18%	8,86%
26.9.2020	11,419 €	22,33 BGN	20,65 BGN	22,46 BGN	7,54%	8,06%
27.9.2020	11,419 €	22,33 BGN	20,61 BGN	22,46 BGN	7,72%	8,24%
28.9.2020	11,521 €	22,53 BGN	20,60 BGN	22,46 BGN	8,58%	8,28%
29.9.2020				22,46 BGN	#DIV/0!	100,00%
30.9.2020				22,46 BGN	#DIV/0!	100,00%

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# DATA REPORTING UNDER REMIT

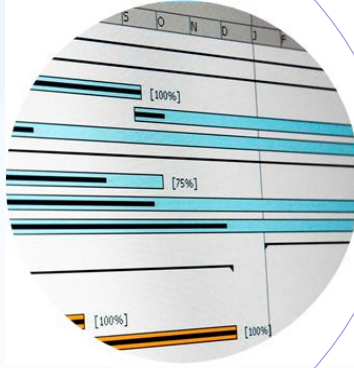


- ❑ All trades executed on the BGH trading platform are reportable to the Agency for Cooperation of Energy Regulators (ACER) in accordance with the provisions of Regulation (EU) No. 1227/2011 on wholesale energy market integrity and transparency and Implementing Regulation (EU) No. 1348/2014 on data 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!

**Kiril Ravnachki**  
Executive Director  
Balkan Gas Hub EAD



## **Balkan Gas Hub**

[www.balkangashub.bg](http://www.balkangashub.bg)