

**UKNF**

URZĄD  
KOMISJI  
NADZORU  
FINANSOWEGO

# Commodities clearing in Poland



## Structure

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1. Trading commodities in Poland. Basic figures
2. Key factors that developed commodities trading in Poland
3. Commodities market infrastructure
4. Responsibilities within our Authority (KNF)
5. Trading - overview
6. Clearing – overview



# 1. Trading commodities in Poland. Basic figures

# 1. Trading commodities in Poland. Basic figures

141.4 TWh

the volume of trade in electricity

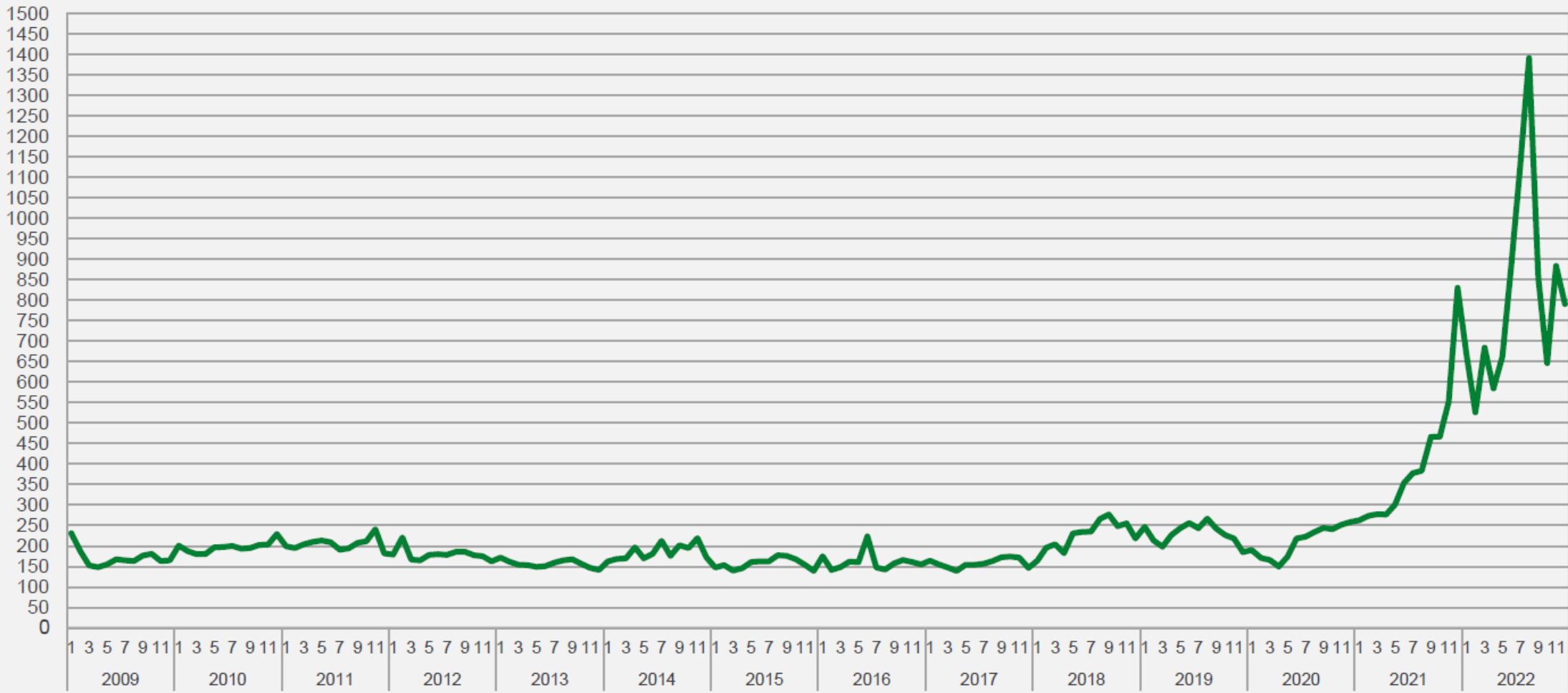
141.6 TWh

the volume of trade in natural gas



# Electricity spot prices development

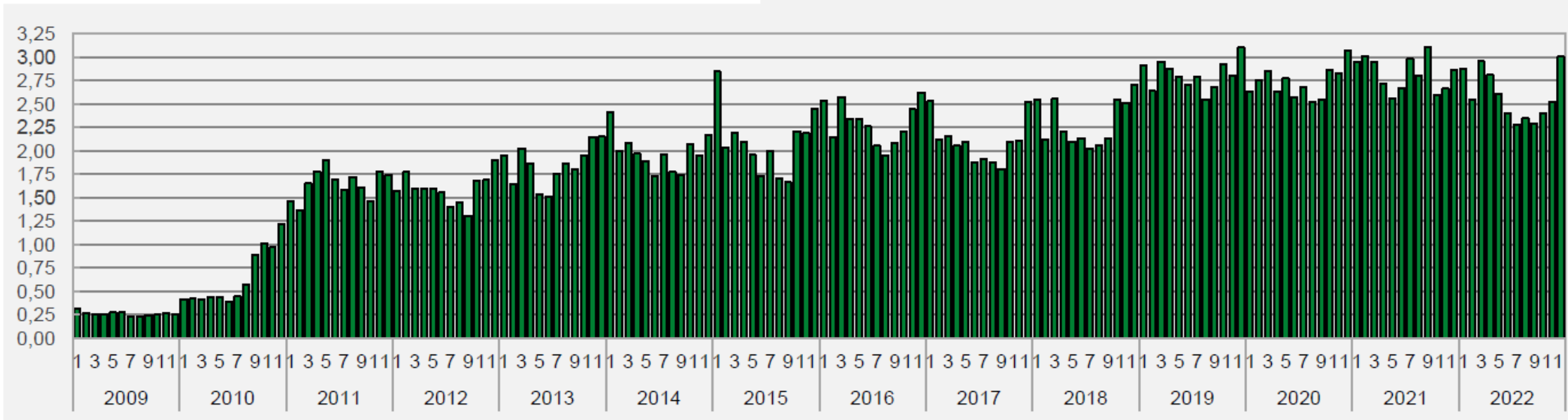
| Monthly Weighted Average Prices | (PLN/MWh)



Statistical data, source: <https://tge.pl/statistic-data>

# Electricity spot trading

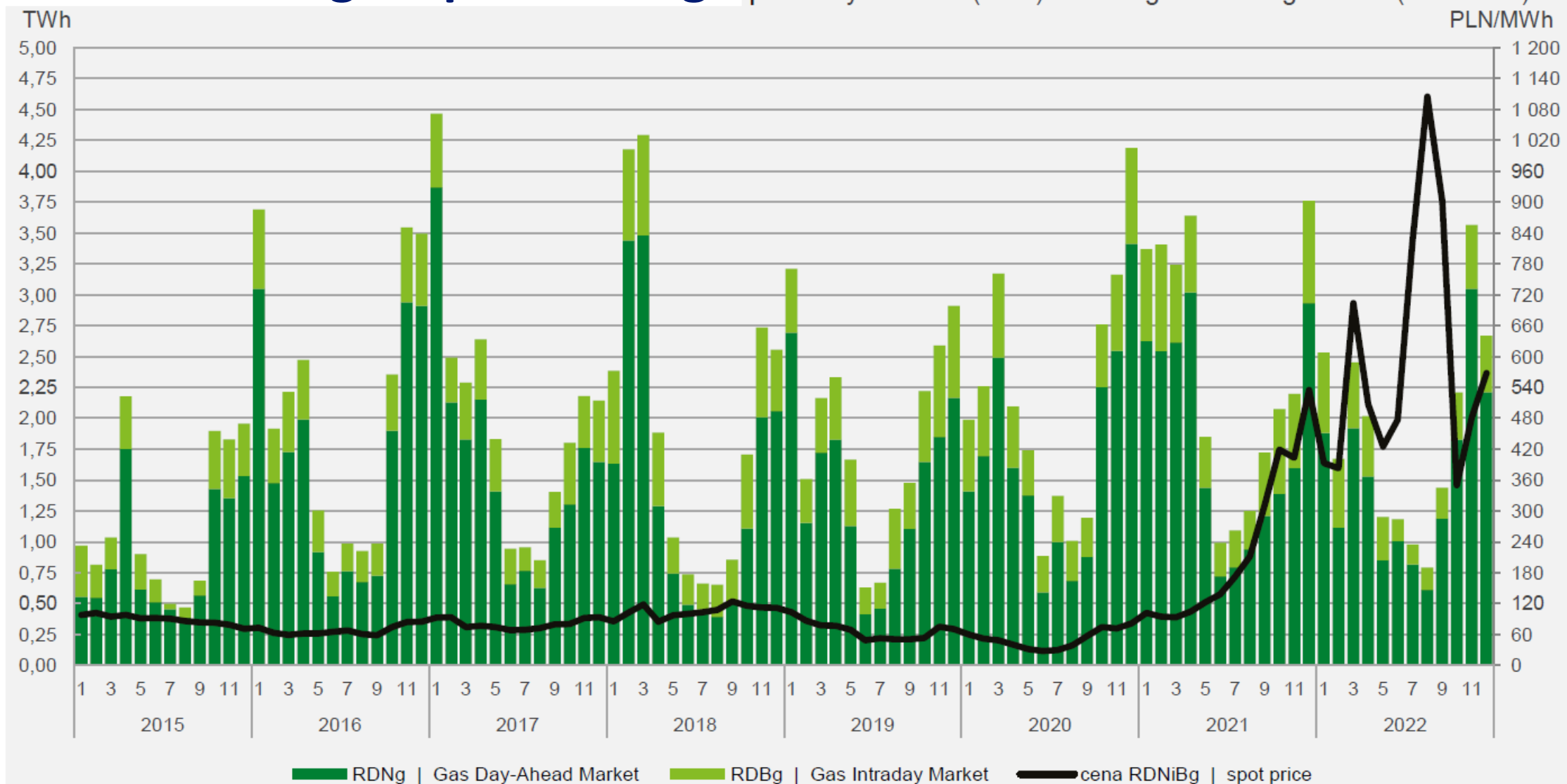
| Monthly Volumes | (TWh)



Statistical data, source: <https://tge.pl/statistic-data>

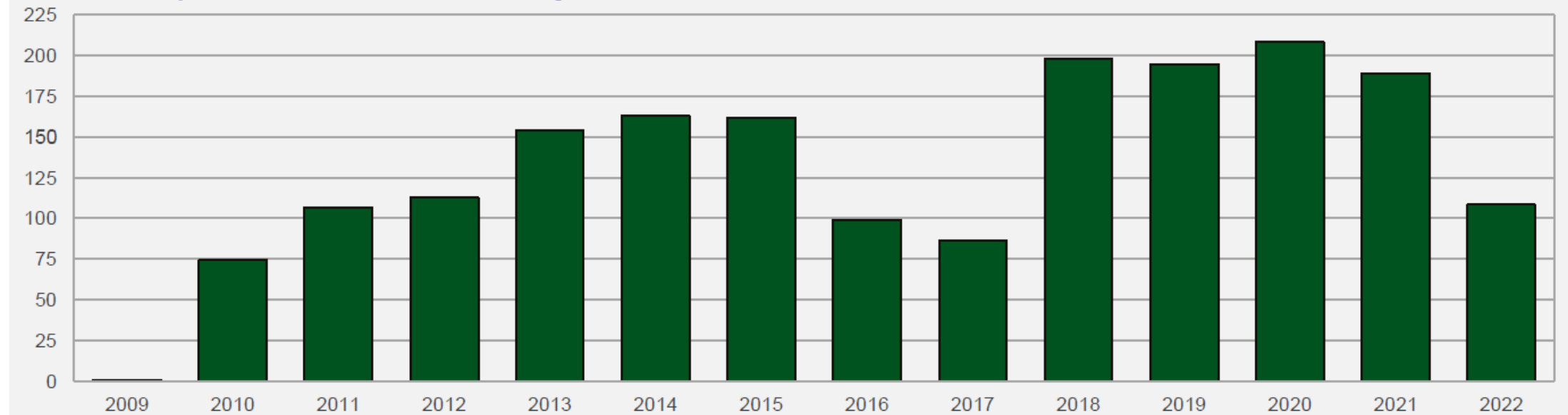
# Natural gas spot trading

Monthly Volumes (TWh) and Weighted Average Prices (PLN/MWh)

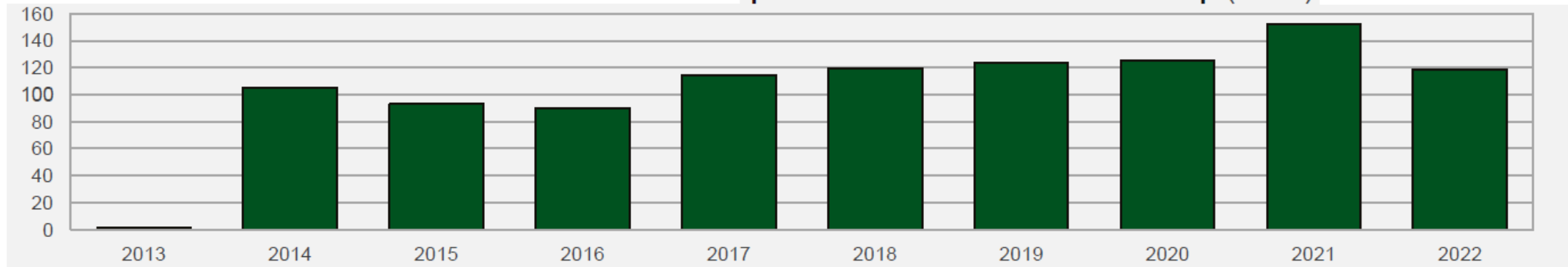


Statistical data, source: <https://tge.pl/statistic-data>

# KEVII products trading volumes | Annual Electricity Volumes | (TWh)



## | Annual Natural Gas Volumes | (TWh)



Statistical data, source: <https://tge.pl/statistic-data>



# Value of trades cleared

bln PLN



Source: <https://www.irgit.pl/sites/default/files/media/documents/report/en/2022-07/irgit-annual-report-2021.pdf>

## **2. Key factors that developed commodities trading in Poland**

## Trading obligation in electricity:

- from 2009 till the end 2022
- Power plants (minimum 50 MWe) obliged to sell on either spot market (including NEMOs) or OTF
- Output under obligation varied over the years

## Trading obligation in natural gas:

- from 2013 till
- Gas companies importing/extracting natural gas
- 65% (recently downscaled to 30%)

### **3. Commodities market infrastructure (supervised by KNF)**

# Giełda Papierów Wartościowych

## Subsidiaries

## Associates and co-controlled

100%

Towarowa Giełda  
Energii S.A.

33,33%

KDPW S.A.

100%

IRGiT S.A.

100%

KDPW\_CCP  
S.A.

100%

InfoEngine S.A.

24,79%

Centrum Gieldowe S.A.

97,23%

BondSpot S.A.

35,86%

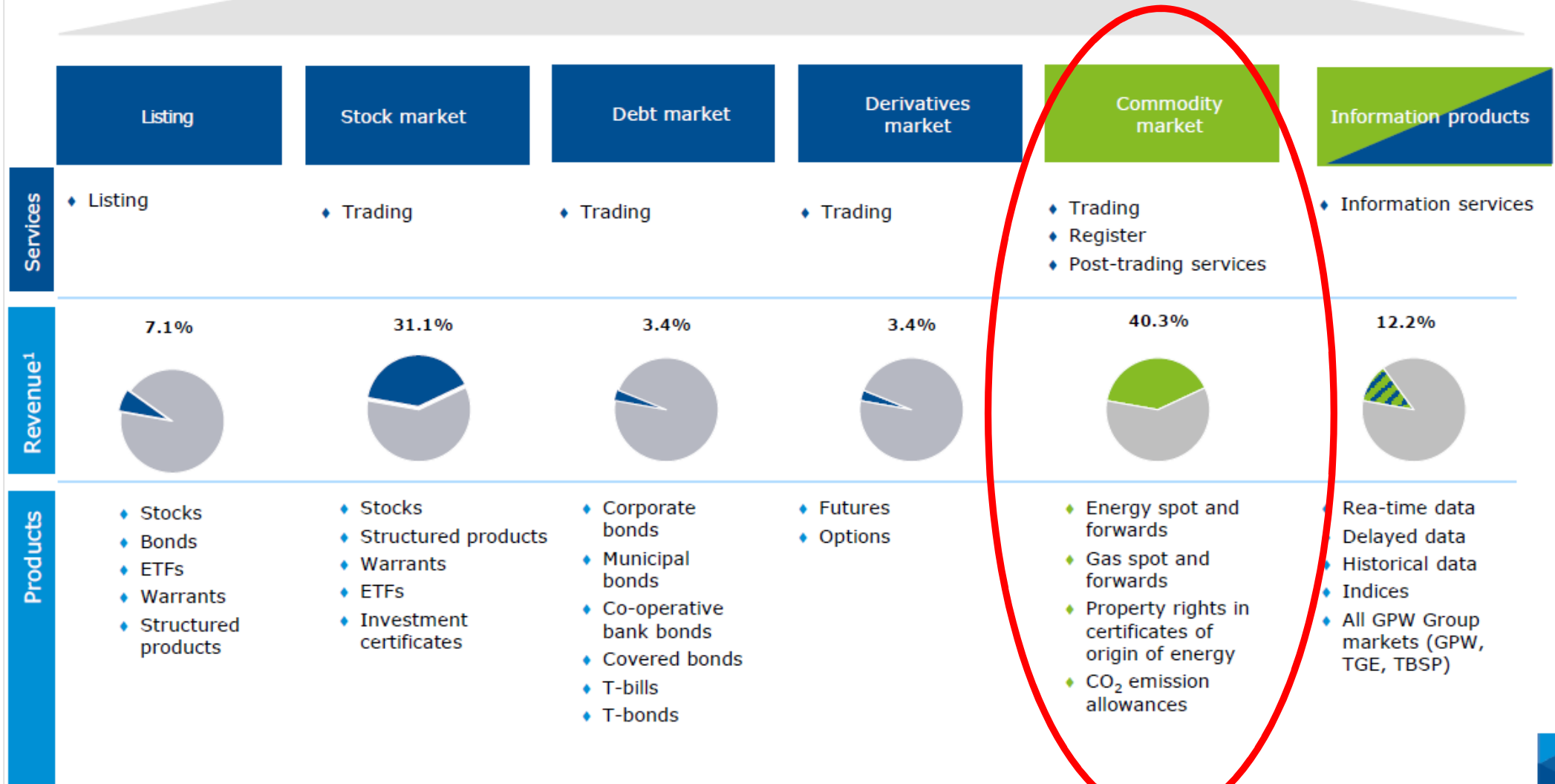
Polska Agencja Ratingowa S.A.\*

100%

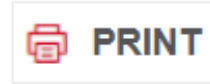
GPW Benchmark S.A.



# GPW Group



🕒 10 February 2021, 10:25



## Successful Go-Live of Polish Multi-NEMO day-ahead market coupling

**On February 9, 2021, day-ahead auctions run by multiple Nominated Energy Market Operators (NEMOs) were successfully launched in Poland, the so-called Multi-NEMO Arrangements (MNA) go-live.**

The aim of Single Day-Ahead Coupling (SDAC) is to create a single pan-European day-ahead electricity market. An integrated market boosts overall trading efficiency by promoting effective competition, increasing liquidity, and enabling the efficient use of generation resources and transmission capacity across Europe.

The SDAC process in the Polish market has so far been carried out by TGE. Along with the implementation of the multi-NEMO formula, both EPEX SPOT and Nord Pool also started operating in this area. The inclusion of new NEMOs in the Polish market is another step to strengthen European cooperation in the energy sector.

Thanks to the Market Coupling integration mechanisms, the European electricity market is constantly increasing liquidity while the coordinated process of market price formation and transmission capacity allocation contributes to the increase of social welfare in the coupled regions.

The project parties involved include the Polish TSO PSE and three NEMOs EPEX SPOT, Nord Pool and TGE.

## **4. Responsibilities within our Authority (KNF)**

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### **Market Infrastructure Unit – responsible for:**

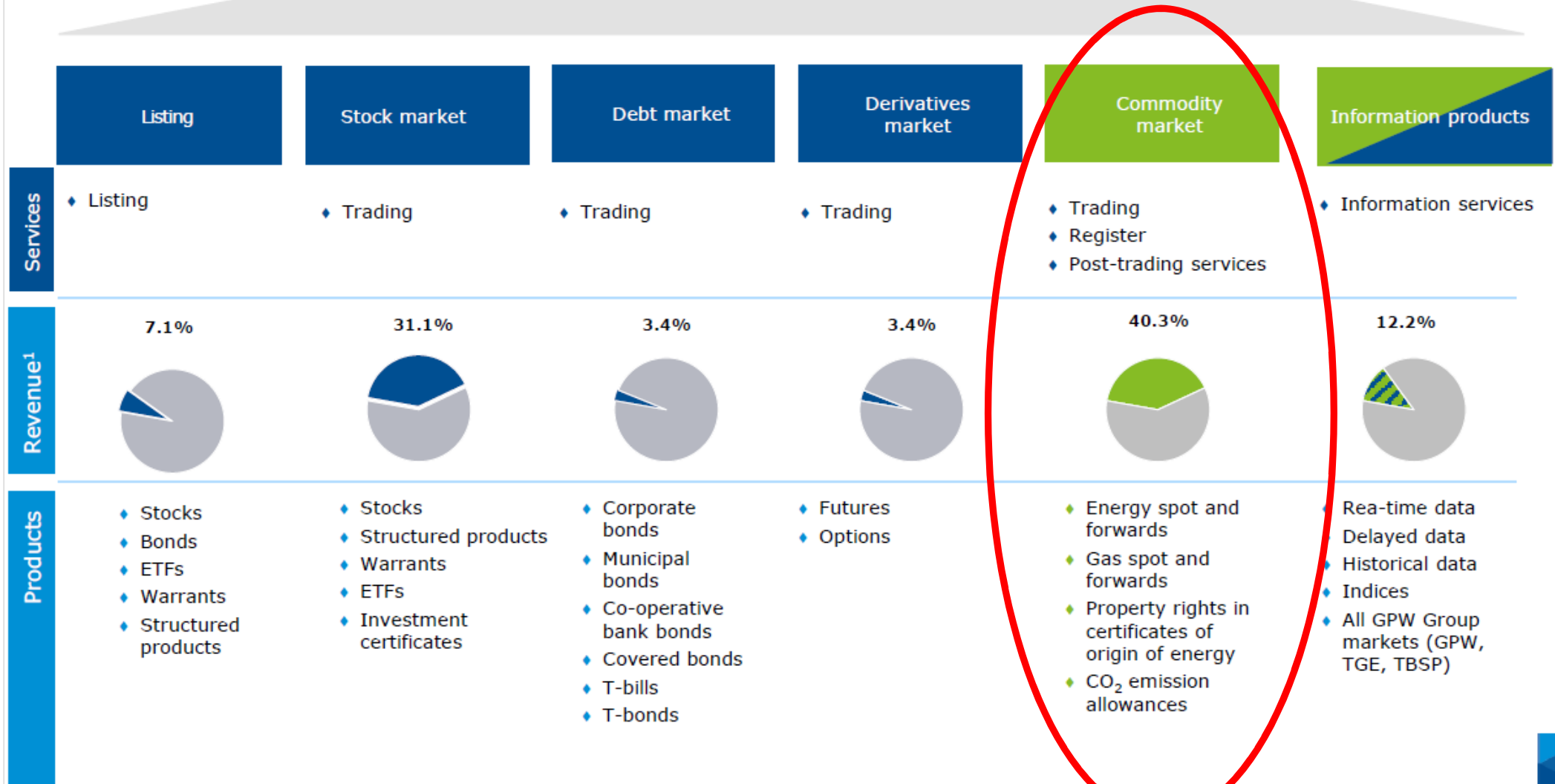
- Licensing new activities
- Daily supervision
- Offsite & Onsite inspections
- Policy work at National & EU level

### **Out of the scope:**

- Trading surveillance  
(responsibility of Energy Regulator + ACER)

# 5. Trading – overview (structure & products)

# GPW Group





## 5. Trading - overview

**Trading organized within 3 authorized platforms:**

- **Commodities exchange**  
(domestic regulation for spot products)
- **Organised Trading Facility, OTF**  
(MiFID II platform)
- **Regulated Market**  
(MiFID II platform)

## 5. Trading - overview

Trading organized within 3 authorized platforms:

- **Commodities exchange**  
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# Commodities exchange



CM DTF FIM RRM Market data Market Council Agricultural Exchange Market

Log in

Quotations MC/NEMO TGE Registers Membership Regulations



Search in TGE



## Electricity

Day-Ahead Market

Intra-Day Market SIDC (XBID)

## Natural Gas

Day-Ahead Market

Intra-Day Market

## Property Rights

Property Rights Market

### Electricity

Natural Gas

Property Rights

| 28-03-2023

### Indices

Market Messages

Electricity

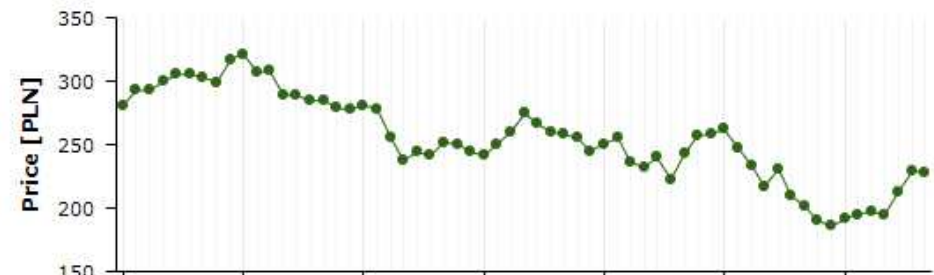
Natural Gas

Property Rights

TGEgasDA

TGEsgtDA

TGEglwDA



Index	Price (PLN/MWh)	Change	Volume (MWh)
TGeBase	580.02	▲	134,066.8
TGePeak	601.15	▲	74,511.5
TGeOffpeak	544.48	▲	32,819.3
TGe24	578.81	▲	82,468.1
TGe15	600.52	▲	53,793.7
TGe9	542.62	▲	28,674.4

# **Commodities exchange**

(domestic regulation for spot products)

**Basis:** Act of 2000 on Commodities exchanges

**Following instruments:**

- Electricity spot (Intraday & Day-Ahead)
- Gas spot (Intraday & Day-Ahead)

**Legal status:**

- REMIT products (art. 2 point 4 of Regulation 1227/2011)
- Not financial instruments (art. 7 section 2 of Regulation 2017/565)

## 5. Trading - overview

Trading organized within 3 authorized platforms:

- **Commodities exchange**  
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# Organised Trading Facility, OTF



OTF FIM RRM Market data Market Council Agricultural Exchange Market

Log in

Quotations Regulations Membership



Search in TGE



## REMIT carve-out

Commodity Forward Instruments Market with Physical Delivery Electricity

Commodity Forward Instruments Market with Physical Delivery Natural Gas

## Financial

Forward Contracts Property Rights

Suspension and exclusion

## Periodic reports

Compatible with MIFID II

### Electricity

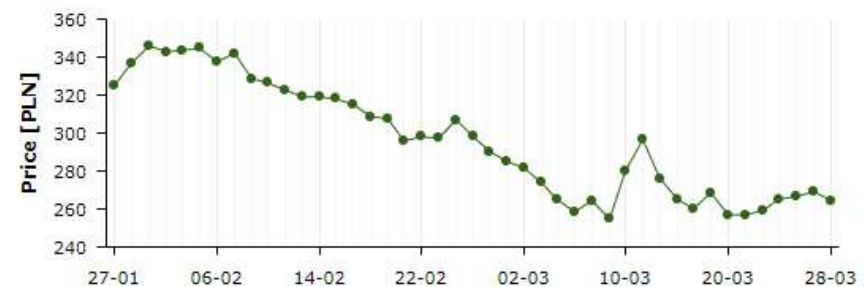
Natural Gas Property Rights | 28-03-2023

Contract	Daily settlement price (PLN/MWh)	Change
BASE_M-04-23	541.30	▼
BASE_Q-2-23	563.34	▼
BASE_Y-24	734.60	▲
PEAK5_M-04-23	619.00	▼
PEAK5_Q-2-23	625.00	
PEAK5_Y-24	851.25	

### OTF

Electricity Natural Gas

GAS\_BASE\_W-14-23 GAS\_BASE\_M-04-23 GAS\_BASE\_Q-2-23 GAS\_BASE\_Y-24





# Organised Trading Facility, OTF (MiFID II platform)

Basis: MiFID II & Act on Trading in Financial Instruments

Following instruments:

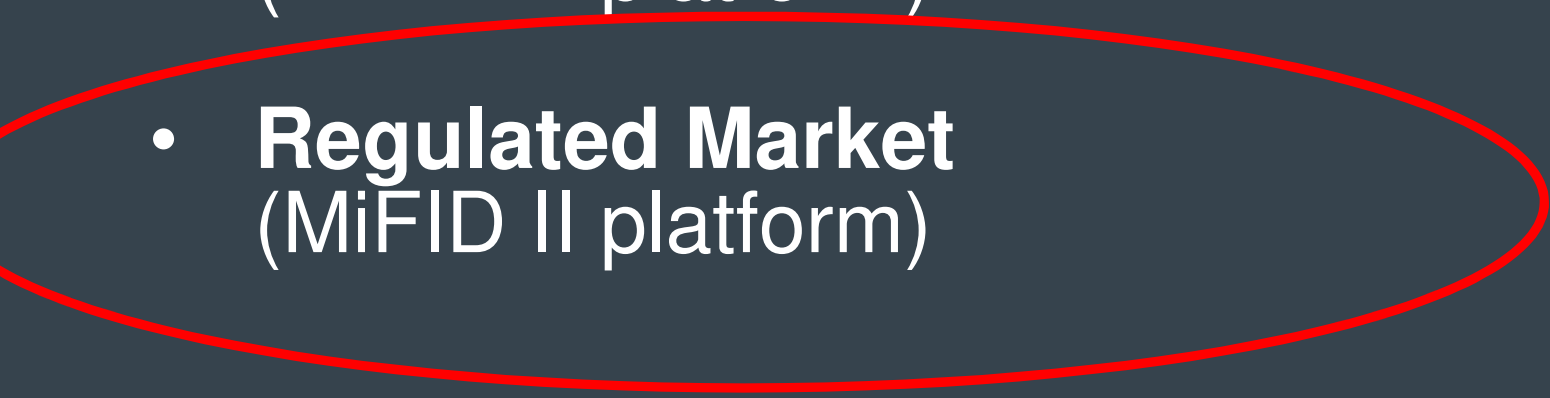
- Electricity forward
- Gas forward

**Legal status:**

- REMIT products (art. 2 point 4 of Regulation 1227/2011)
- Not financial instruments (MIFID II C6 carve-out)

## 5. Trading - overview

Trading organized within 3 authorized platforms:

- **Commodities exchange**  
(domestic regulation for spot products)
  - **Organised Trading Facility, OTF**  
(MiFID II platform)
  - **Regulated Market**  
(MiFID II platform)
- 

# Regulated Market

**TGE** CM OTF **FIM** RRM Market data Market Council Agricultural Exchange Market Log in

Quotations and instruments Regulations Membership Search in TGE

Emission permissions  
EUA permissions

Periodic reports  
Compatible with MIFID II

Suspension and exclusion

Remained until the end of session **5:39:09** CET 14:00

EUA emission allowance | 2023-03-28

Contract name	Minimum price	Maximum price	Volume
C_EUA-30	-	-	0

TGEeua30 index graph for 60 days

# Regulated Market (MiFID II platform)

Basis: MiFID II & Act on Trading in Financial Instruments

Following instruments:

- Emission Allowances

**Legal status:**

- Financial instruments (MIFID II C11)

## 6. Clearing - overview

# Clearing. Overview



Source: <https://www.irgit.pl/sites/default/files/media/documents/report/en/2022-07/irgit-annual-report-2021.pdf>

# Clearing. Overview

## Spot transactions:

- Full collateralization

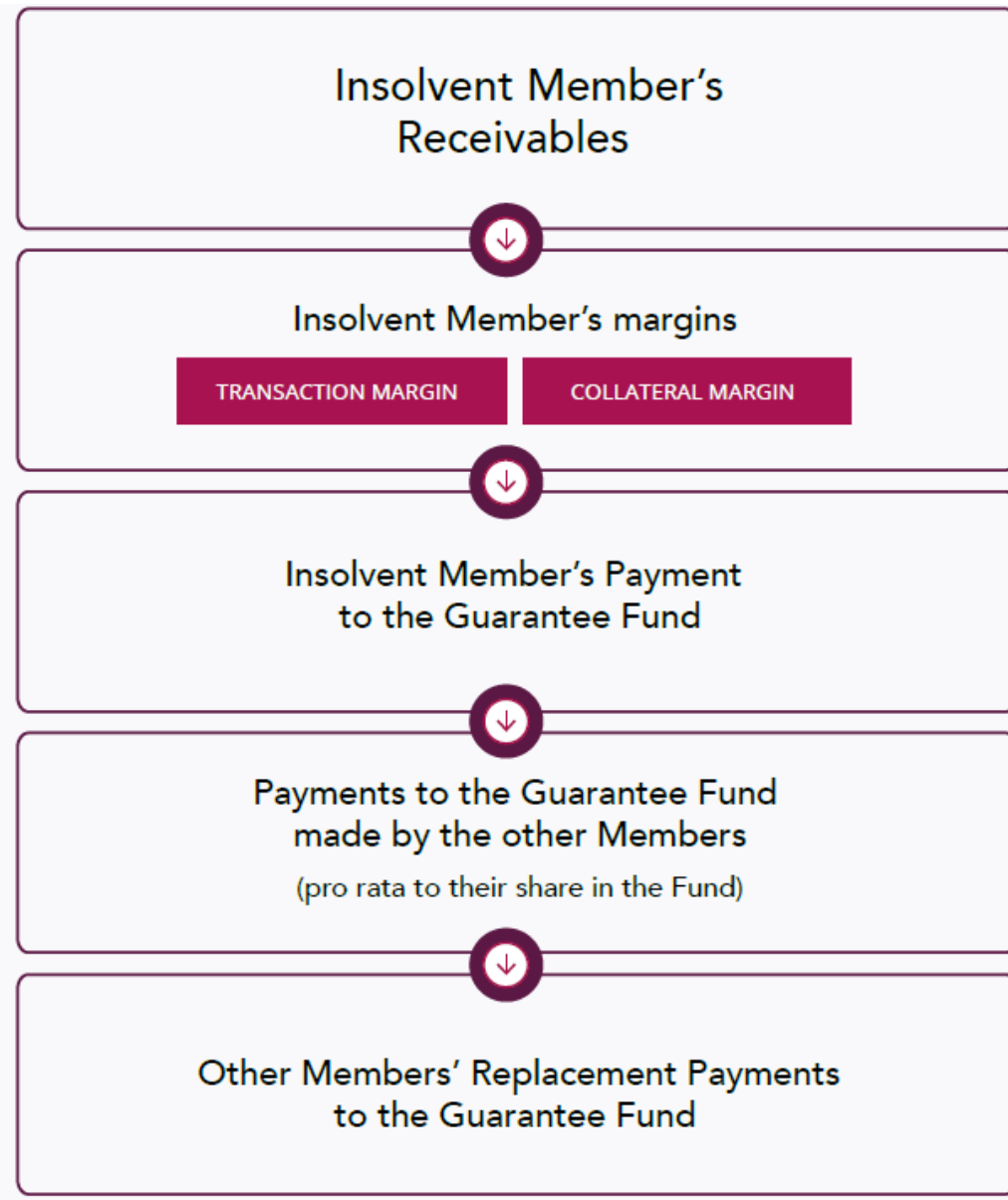
## Forward transactions:

- collateral margins (IM + VM)
- guarantee funds

TRANSACTION MARGINS			COLLATERAL MARGINS		GUARANTEE FUNDS	
HISTORIC MARGIN	TRANSACTION LIMIT	DELIVERY MARGIN	INITIAL MARGIN	VARIATION MARGIN	ECH GF	CSH GF

Source: <https://www.irgit.pl/sites/default/files/media/documents/report/en/2022-07/irgit-annual-report-2021.pdf>

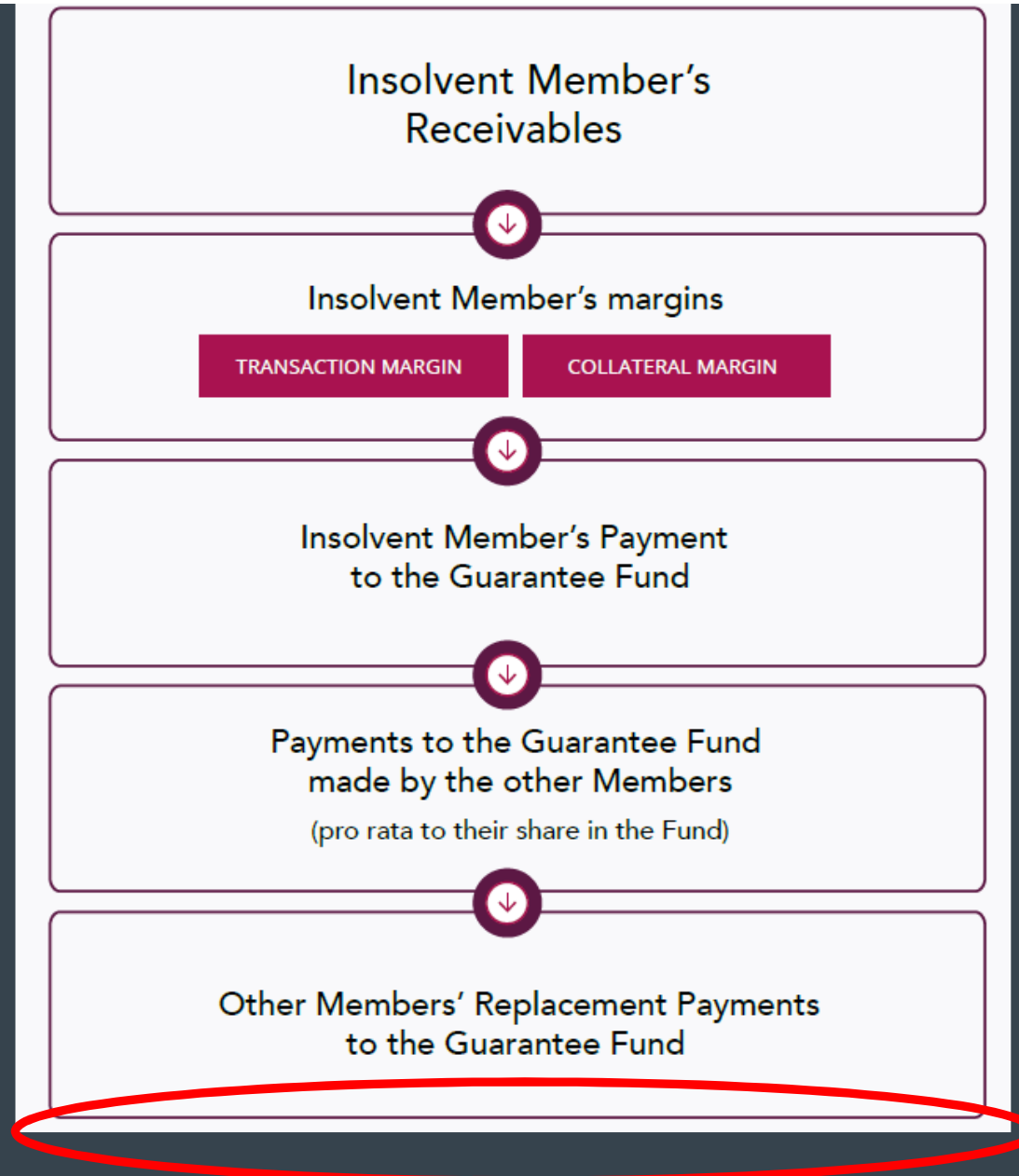
# Clearing. Default Waterfall



Source: <https://www.irgit.pl/sites/default/files/media/documents/report/en/2022-07/irgit-annual-report-2021.pdf>



# Clearing. Default Waterfall



# Thank you for your attention!

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