



# **Clearing in the SEEGAS Region – Possibilities and how to get there**

**3<sup>rd</sup> SEEGAS Meeting, June 15, 2021**

Michael Merz

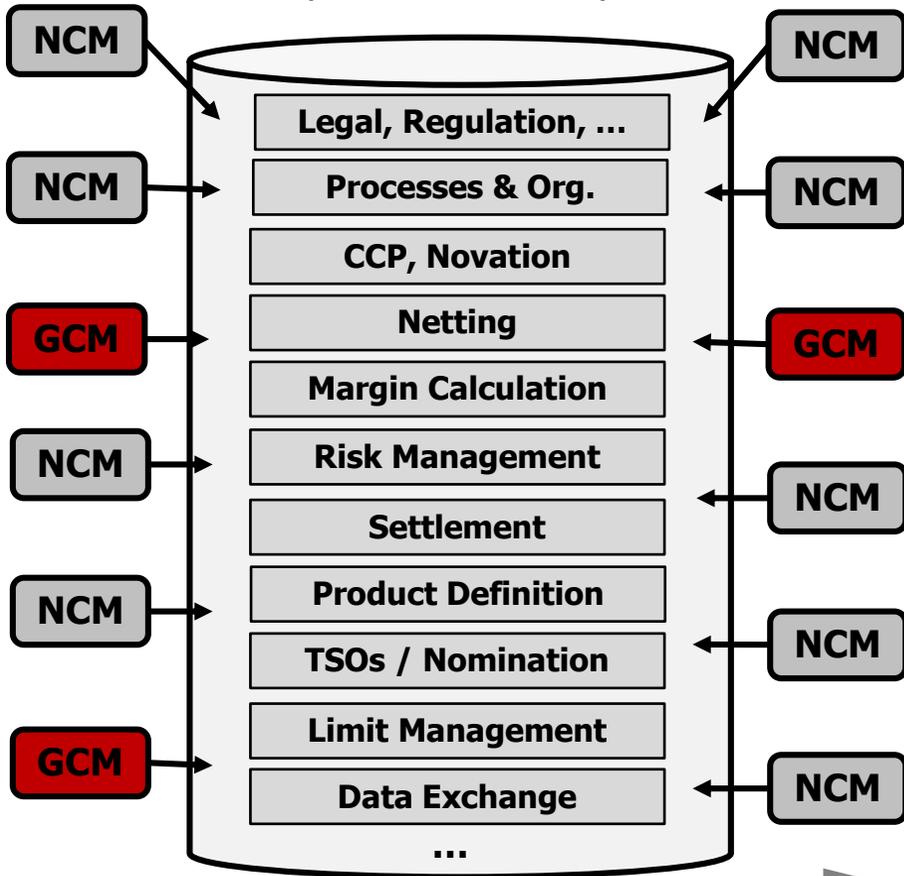
# Clearing in the SEEGAS Region

Centralised or fragmentated or something inbetween?

**Central Variant**  
(Across Market Areas)

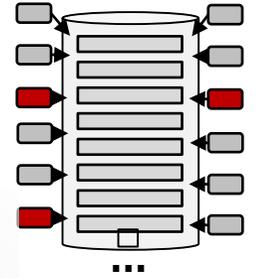
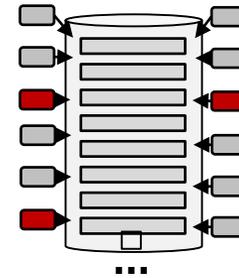
VS.

**Decentral Status Quo**  
(No cooperation)



**Market Area 1**

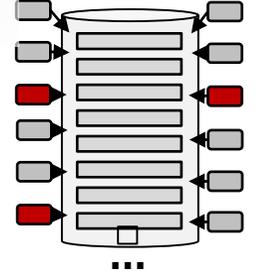
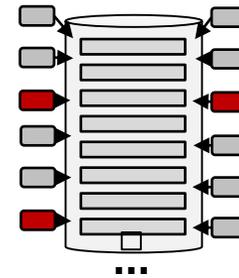
**Market Area 2**



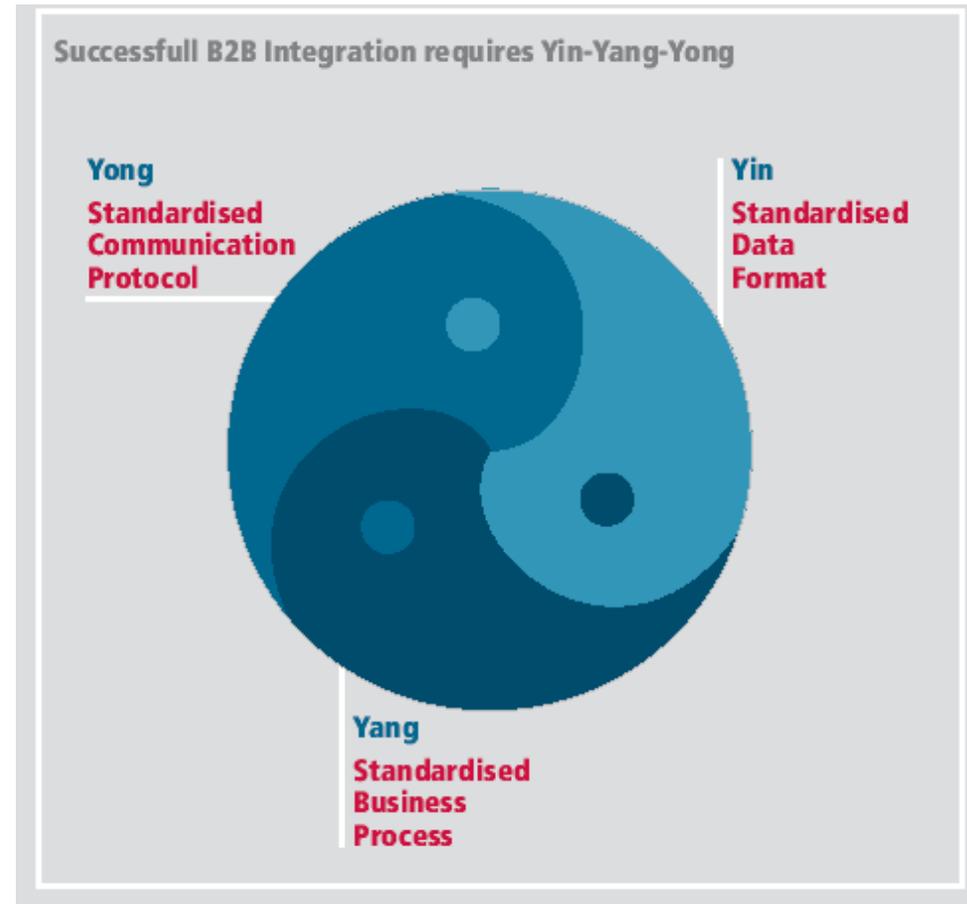
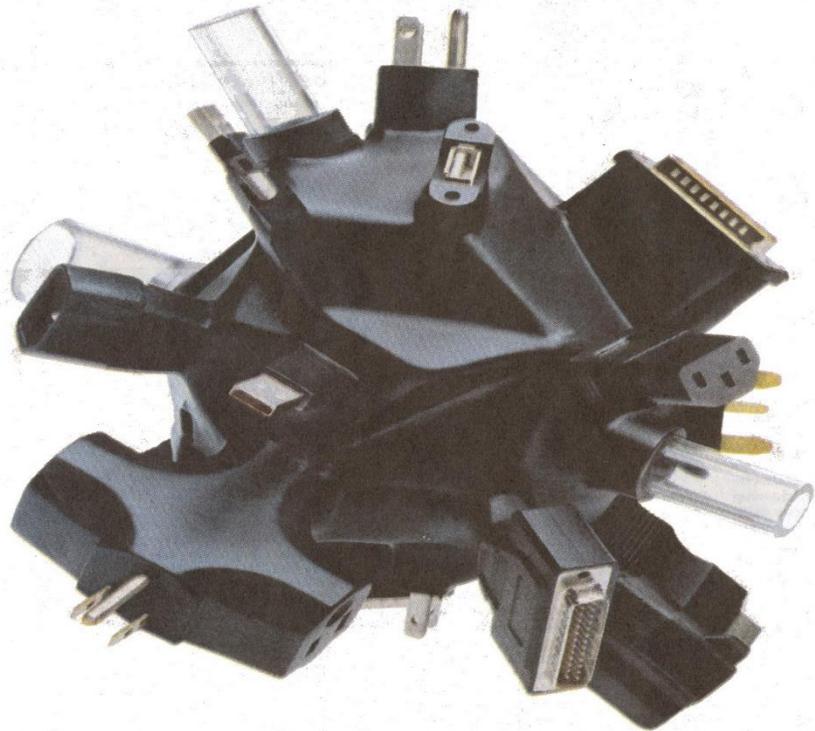
No standards  
No interoperability  
No cost sharing  
No risk sharing

**Market Area 3**

**Market Area 4**



# Standardisation of the „Yin-Yang-Yong“



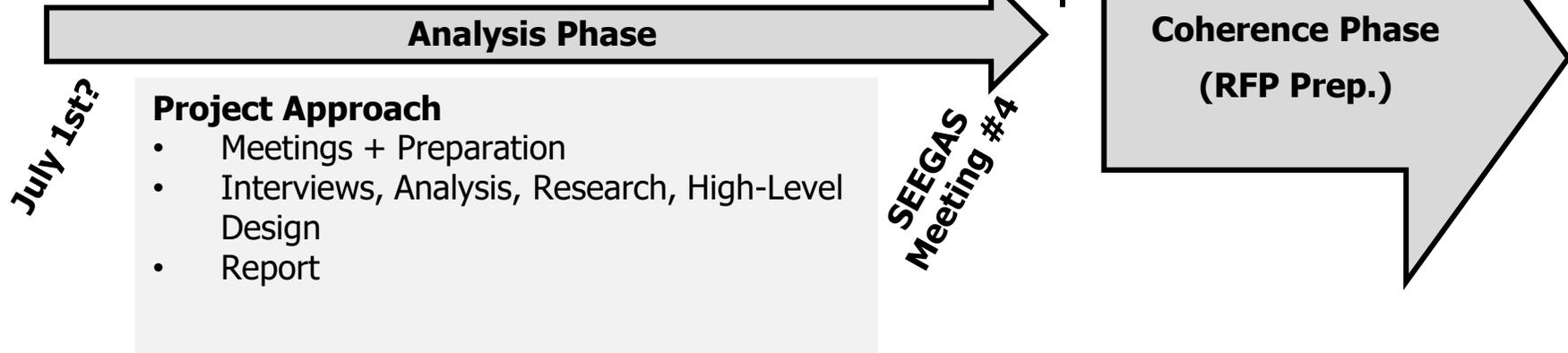
# Let's try to achieve Synergies and share the Effort

## „Synergy Identification Project“

- Status quo at SEEGAS members?
- Common goals?
- Gap analysis
- Synergy potential?
- Measures, next steps, Effort categorisation

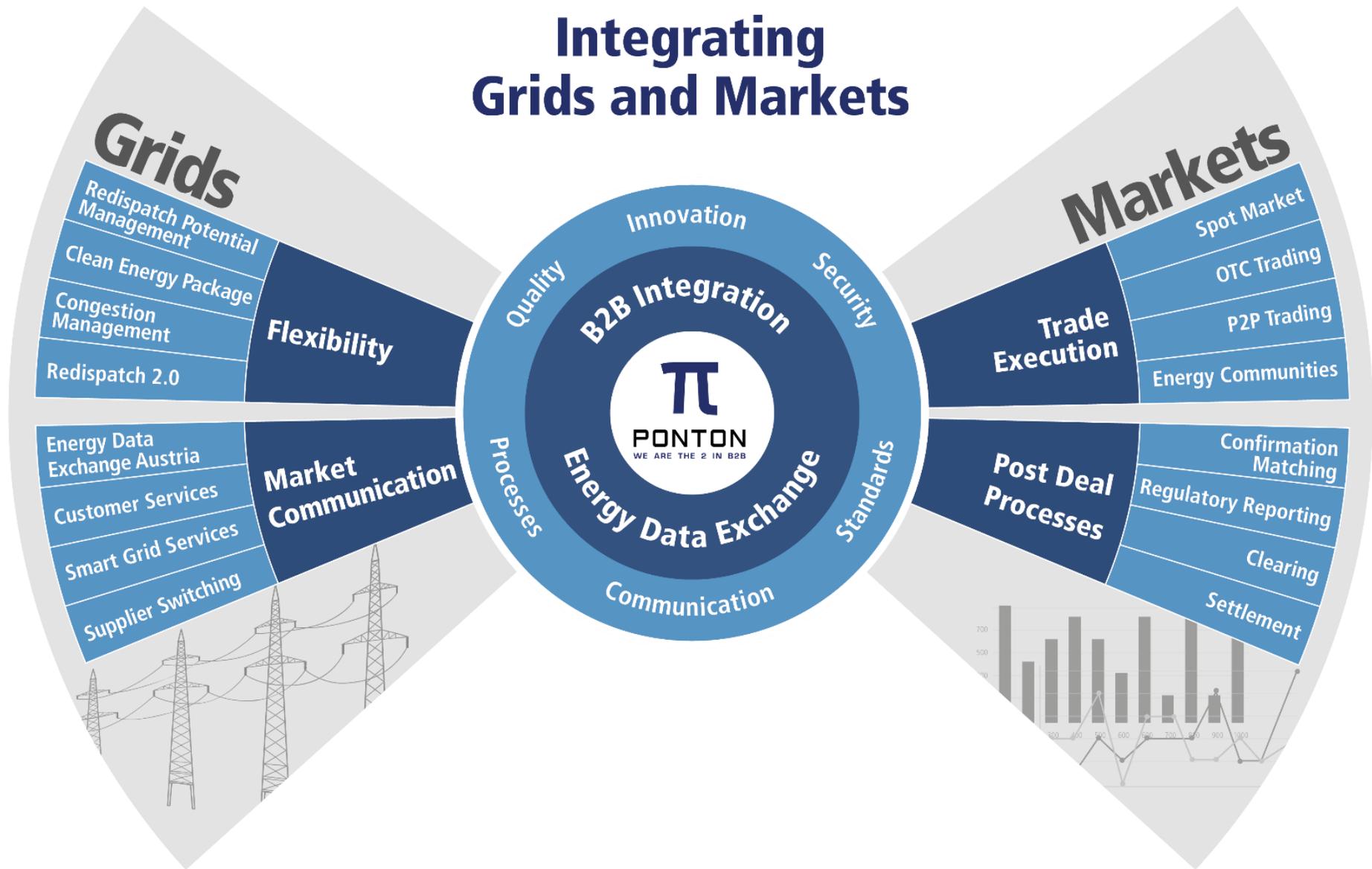
### Deliverable:

- Report:
- Status Quo
  - Clearing functions
  - Target
  - Gaps
  - Potential way ahead

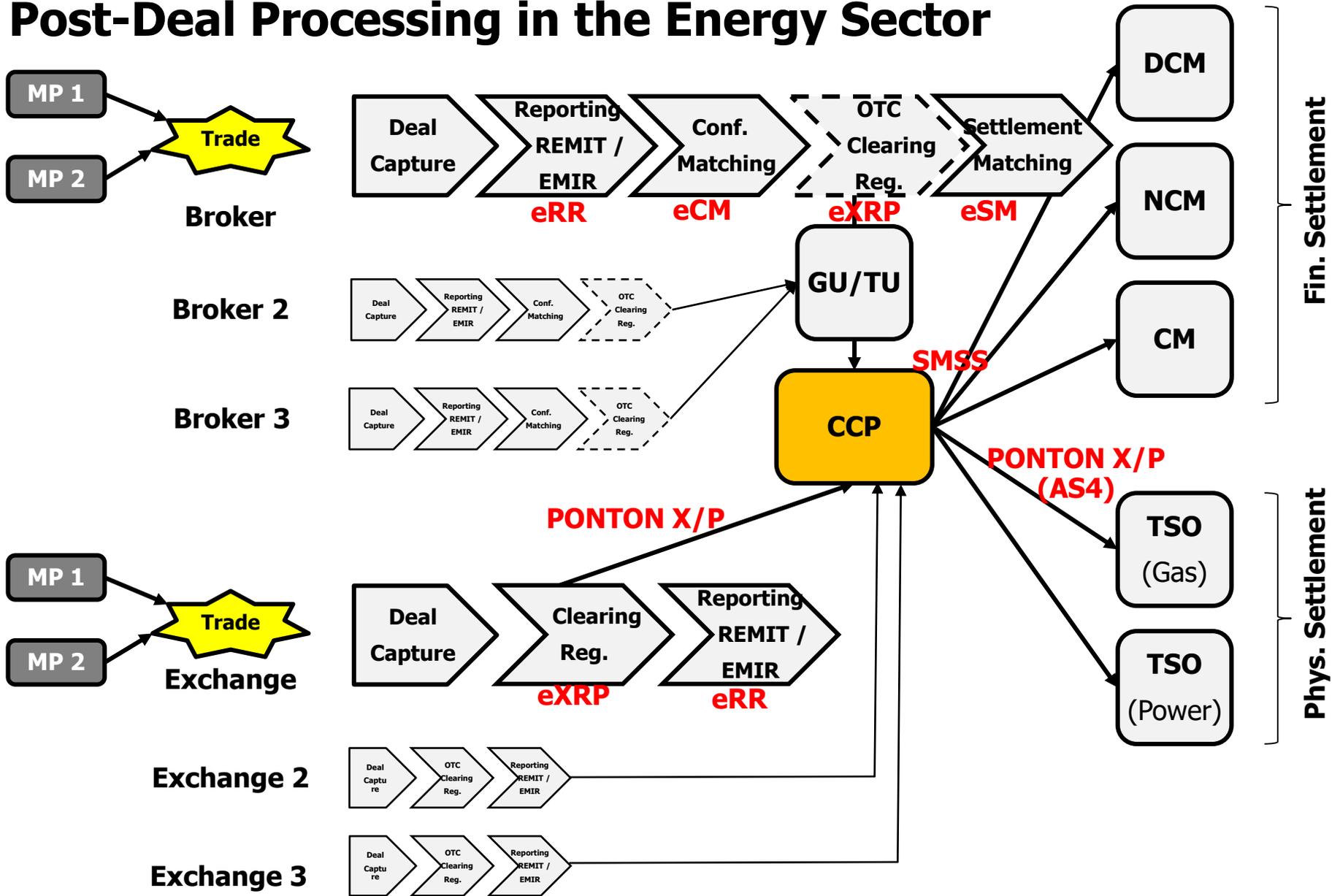


# Backup

# Integrating Grids and Markets

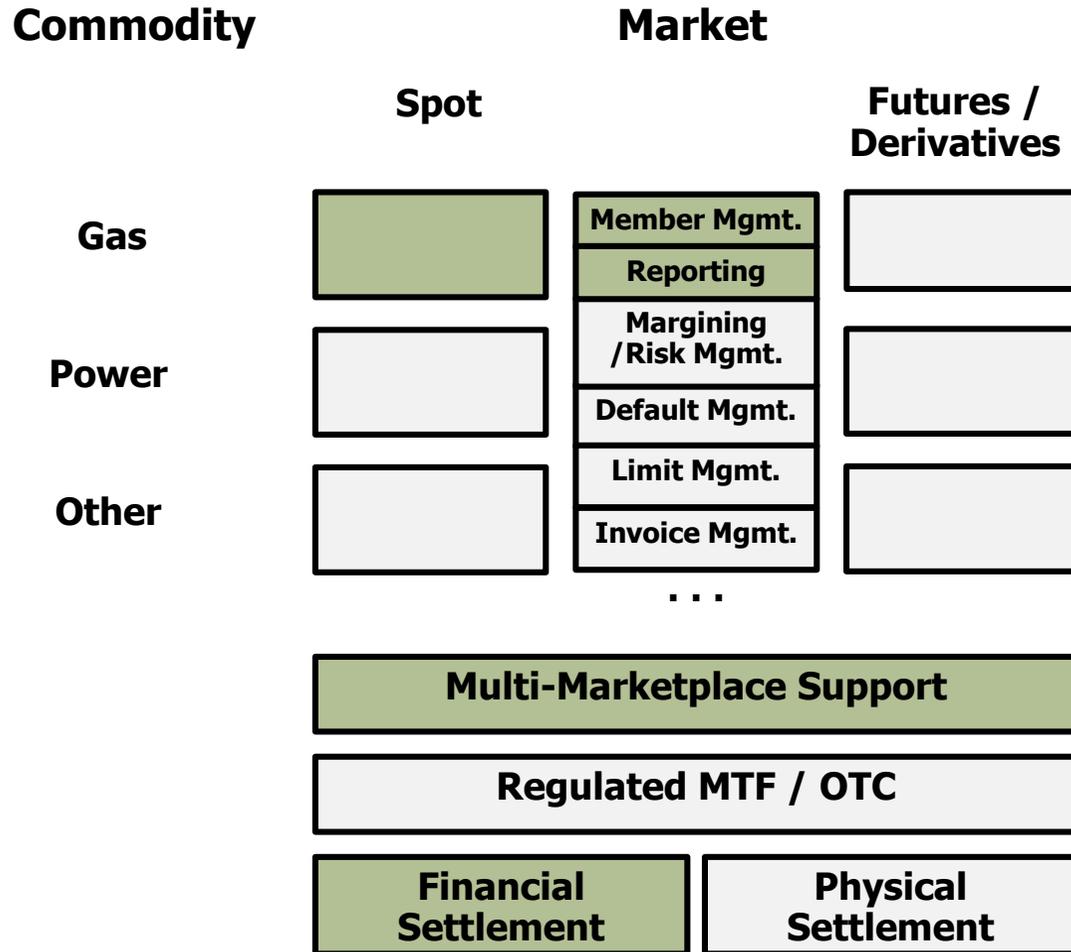


# Post-Deal Processing in the Energy Sector



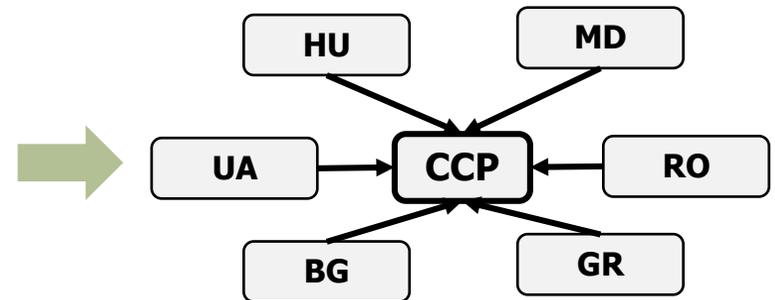
# Developing a Clearing Service for the SEEGAS Region

## Phase 1: Gas Spot Clearing



Prioritisation may be adjusted!

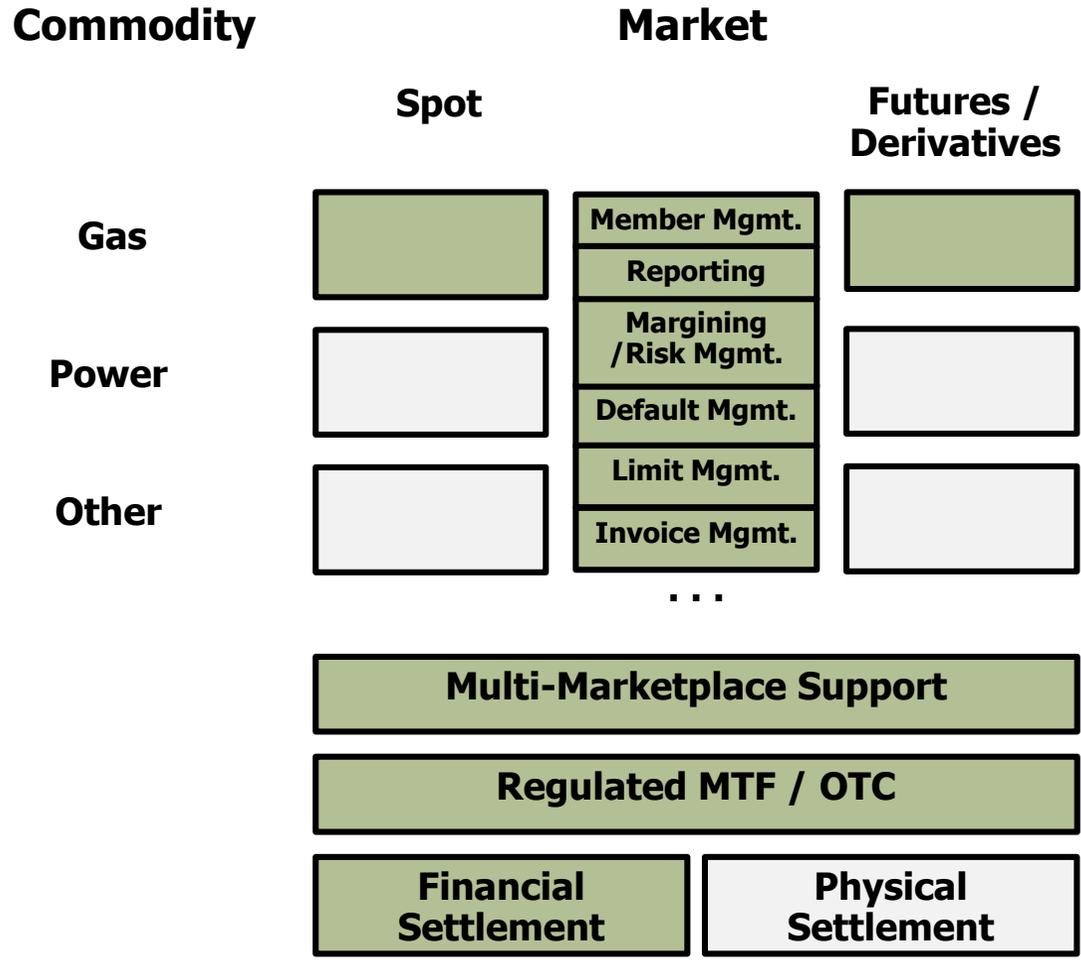
- ❑ In the first development phase, core functions for the financial settlement of gas spot trades will be implemented.
- ❑ Apart from UEEX, a larger number of platforms may be connected to the CCP.



# Developing a Clearing Service for the SEEGAS Region

## Phase 2: Derivatives

Prioritisation may be adjusted!

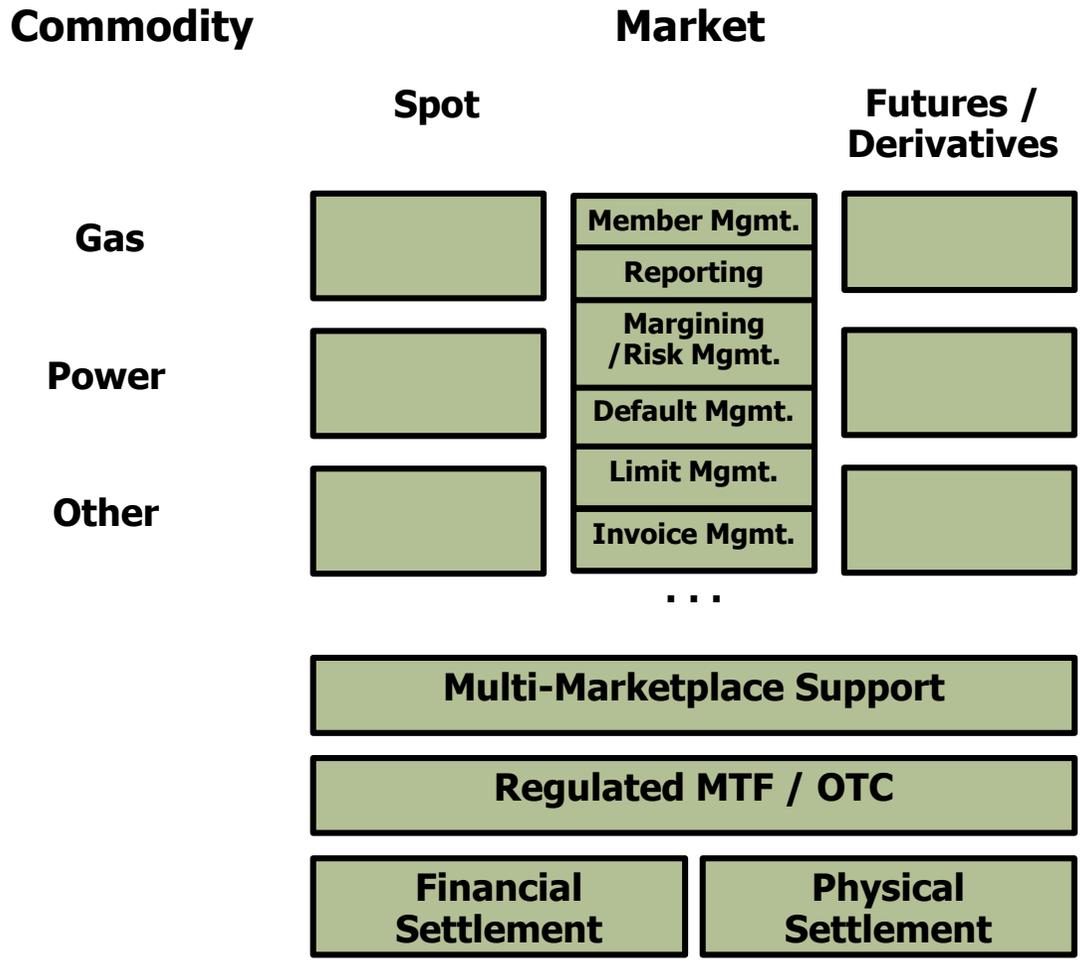


- ❑ As the next step, the clearing system will be extended for derivatives.
- ❑ Apart from cleared trades from connected exchanges, give-up / take-up will be supported for OTC platforms.
- ❑ Further functions: Margining & default management, central limit system.

# Developing a Clearing Service for the SEEGAS Region

## Phase 3: Other Commodities + Nomination

Prioritisation may be adjusted!



- ❑ Finally, the CCP will be extended for further commodities beyond gas: power, oil.
- ❑ Physical settlement: TSO interfaces for nomination / scheduling.

