



Natural Gas Market – Centralized markets for natural gas administrated by OPCOM

Starting with 01.01.2019 became fully applicable the requests of ANRE's president Order No. 105/2018 through which were settled the General Rules regarding the centralized market for natural gas from Romania, that were duly reflected for implementation purposes through Regulation regarding the organized trading framework on standardized products markets for natural gas administrated by Romanian Gas and Power Market Operator OPCOM – S.A., approved by ANRE's president Order No. 222/2018.

Subsequent to the approved regulation framework were elaborated and advised following the deployment of a public consultation process, the documents related to procedural framework and the market participation agreements updated according with the comments collected during public consultation, becoming as well applicable for trading natural gas through trading platforms administrated by OPCOM.

Thus, starting 01.01.2019 OPCOM is providing to the natural gas domain undertakings the following specific trading mechanisms for standard products markets for delivery of natural gas on short term, with OPCOM assuming counterparty role and on medium and long term.

By accessing on-line, the trading systems, from their own terminals, market participants can conclude trades through the following markets:

1) Day Ahead Market for Natural Gas DAM-NG - trading mechanism based on auction

Mechanism characteristics:

- Trading sessions are organized on each calendar day, 7 days/week;
- Each trading session is run in one offering stage between 10:00 – 14:00;
- OPCOM is counterparty within trades providing services related to:
 - Payments and encashments through DAM-NG central account, as fast as possible according to the banking rules and norms;
 - Notification of trades to the TSO – SNTGN Transgaz SA, immediately after trading session closing;
- Traded natural gas is delivered on the next gas day;
- Payment guaranties posted by buyers are securing the fulfilling of payment terms.

2) Centralized Market for Natural Gas PCGN-LN – Trading mechanism through auction and continuous negotiation

Mechanism characteristics:

- Trading sessions are organized on each working day;
- Each trading session is run in one offering stage between 11:00 – 13:00;
- Are submitted to trading **standard products for weekly, monthly, quarterly, semester and yearly delivery, the yearly delivery products being available both for calendar and gas year as well.**
- Participating with offers is not involving costs for posting guaranties. Both guaranties and tariffs are applicable for concluded trades only and requested afterwards.

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3) Centralized Market for Natural Gas PCGN-LP – Trading mechanism through public auction

Mechanism characteristics:

- Market participants can register for participating to the trading sessions **as initiators** of auction session **or responding party** in the public auction session.
- **Offers and contract details are entirely set by the auction session initiators;**
- **Offers and contract are published for minimum 3 working days, publishing data inclusively;**
- Are submitted to trading **standard products for** delivery periods of **one week, one month, one quarter, one season, one calendar year and one gas year.**
- Each trading session is run on-line, through one single offering stage as per the program published within the Public auction announcement;
- Participating with offers is not involving costs for posting guarantees. Both guarantees and tariffs are applicable for concluded trades only and requested afterwards.

4) Centralized Market for Natural Gas PCGN-OTC – OTC Trading mechanism

Mechanism characteristics:

- Trading sessions are organized on each working day;
- Each trading session is run in one offering stage between 11:00 – 14:00;
- Are submitted to trading **standard products for weekend, weekly, monthly, quarterly, semester and yearly delivery, the yearly delivery products being available both for calendar and gas related periods as well, as per related European practice.**
- Participants are concluding trades in anonymous way with any of the minimum 8 eligible parties notified through their own white eligibility lists;
- Trades are subscribed to the already agreed contracts between parties.

Trading platforms placed at disposal are certified **ISO 27001** and the technology used is provided by **Nasdaq and Trayport Ltd.** These technical solutions proved their performance supporting European markets for energy, both for power and natural gas, sustaining trading and settlement activity performed through 14 natural gas hubs, 12 energy and financial exchanges and 6 clearing houses from 19 European countries, being reliable and stable vehicles for settling flexible offering and trading strategies, on different delivery periods horizons, in transparent and non-discriminatory conditions.