

## Customer Information

### Management of French zone merger (PEG Nord / TRS)

27 April, 2018

Dear Trading Participants,

Following regulatory decision from the French Regulator, CRE, French market areas Nord and TRS will be merged to create a unique market area named “TRF” (standing for Trading Region France) starting **November 1<sup>st</sup> 2018**. The associated hub will be named “PEG” (standing for Point d’Echange Gaz). Consequently, PEGAS will introduce new Spot and Futures contracts for the new PEG hub and delist former PEG Nord and TRS products.

#### Impacts on Futures

- PEG Nord

All current PEG Nord contracts on Powernext Derivatives and PEGAS OTF (G5B, H5B) will be renamed into “PEG” on September 27<sup>th</sup> 2018 18:00 CET (after close of trading). All contracts previously traded as PEG Nord with delivery after November 1<sup>st</sup> 2018 will be delivered on the new PEG hub.

- TRS

Currently on TRS, only the next 6 monthly maturities are available for trading. Existing TRS contracts on Powernext Derivatives and PEGAS OTF (G6B, H6B), along with TRS / PEG Nord Spread instruments, will be delisted following the below schedule so that no maturity with delivery beyond November 1<sup>st</sup> 2018 can be traded:

“TRS” and “TRS / PEG Nord” Maturity	Contract delisting
<b>M+6</b>	18:00 CET April 27th 2018 (last trading day of October 2018 as M+6)
<b>M+5</b>	18:00 CET May 30th 2018 (last trading day of October 2018 as M+5)
<b>M+4</b>	18:00 CET June 28th 2018 (last trading day of October 2018 as M+4)
<b>M+3</b>	18:00 CET July 30th 2018 (last trading day of October 2018 as M+3)
<b>M+2</b>	18:00 CET August 30th 2018 (last trading day of October 2018 as M+2)
<b>M+1</b>	18:00 CET September 27th 2018 (last trading day of October 2018 as M+1)

However, this progressive delisting adaptation on TRS is pending technical approval. In the alternative, PEGAS would have to simply cancel any TRS Futures trade with delivery beyond 1<sup>st</sup> November 2018

### Impacts on Spot

Please note that the existing TRS and PEG Nord contracts on Powernext Commodities will be delisted and replaced by a new PEG contract. Respectively, TRS / PEG Nord, PEG Nord / ZTP, PEG Nord / NCG and PEG Nord / TTF Spread instruments will be delisted and replaced by the PEG / ZTP, PEG / NCG and PEG / TTF Spread instruments.

Maturities will be progressively delisted and inserted following the below schedule so that no maturity with delivery beyond November 1st 2018 can be traded:

Contract	October 30 <sup>th</sup> 2018	October 31 <sup>st</sup> 2018	November 1 <sup>st</sup> 2018
<ul style="list-style-type: none"> <li>• PEG Nord</li> <li>• PEG Nord 1 MWh/d</li> <li>• TRS</li> <li>• TRS 1 MWh/d</li> </ul>		<b>03:00 CET, closure of:</b> <ul style="list-style-type: none"> <li>• Day-ahead, Week-end, Saturday, Sunday</li> </ul>	<b>02:00 CET, closure of:</b> <ul style="list-style-type: none"> <li>• Within-day</li> </ul>
<ul style="list-style-type: none"> <li>• PEG</li> <li>• PEG 1 MWh/d</li> </ul>	<b>03:00 CET, start of:</b> <ul style="list-style-type: none"> <li>• Individual Day non BH "Day after Reformation"</li> </ul>	<b>03:00 CET, start of:</b> <ul style="list-style-type: none"> <li>• Day-ahead, Week-end, Saturday, Sunday</li> <li>• Individual Day non BH "Day after All Saints' Day"</li> </ul>	<b>02:00 CET, start of:</b> <ul style="list-style-type: none"> <li>• Within-day</li> </ul>

In addition, PEGAS will also replace the current locational and congestion management products by two "GRTgaz-TIGF PEG" products (an upstream and a downstream) and the associated locational spread on November 1st 2018 02:00 CET (Day-Ahead maturities will not be used by GRTgaz and Teréga (former TIGF) on 31st October 2018).

Please find in the attached presentation the exact screen display.

### Price references for PEG

Like PEG Nord, the new PEG contracts will be settled from 5:15 pm CET to 5:30 pm CET for Spot (EoD) and from 5:00 pm CET to 5:15 pm CET for Futures (Settlement prices). Moreover, the price references WDRP, EGSI, EGIX and Monthly Index will also be available for PEG. Existing PEG Nord and TRS prices references will be published until October 30th 2018, for references based on Day-Ahead contracts, and October 31st 2018, for references based on Within-Day contracts.

## Fees

The price list for the French market hub remains unchanged. The transfer process is free of charge.

## Admission

Powernext Members admitted either on PEG Nord or TRS market areas will be automatically admitted on PEG, as of September 28th 2018 for Powernext Derivatives and Powernext Commodities/Non-MTF market segments and as of October 30th 2018 for Powernext Commodities/Spot market segment.

## Technical setup and testing phase

Further technical details as well as the updated mapping file will be communicated two months prior the merger. Please do not hesitate to contact PEGAS Market Operations if you have further questions.

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