

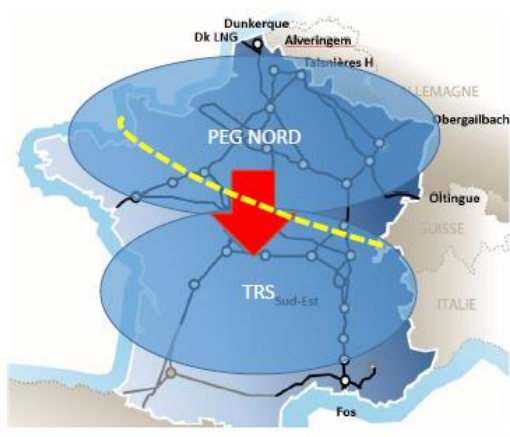
PEG Nord – TRS Zone Merger

Planned for 1st November 2018

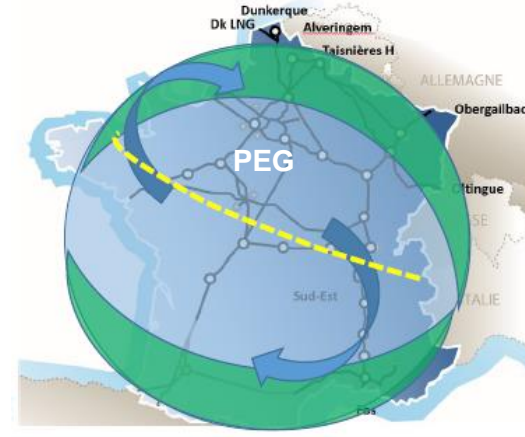
27/04/2018

French zones will merge on 1st November 2018

- On 1st November 2018, the two French zones, Nord and TRS, will merge to form a **unique balancing zone**
 - “TRF” (standing for “Trading Region France”) will be the name of the new French zone
 - “PEG” (standing for “Point d’Echange de Gaz”) will be the name of the new French hub of this zone



A PEG Nord position with delivery **before the merger** will be delivered on PEG Nord



A PEG Nord position with delivery **after the merger** will be delivered on PEG

- Wholesale market naming conventions will follow the name of the hub (not the zone)
 - Tradable products on PEGAS will be called “PEG” both at Powernext and ECC
- If a position is delivered on PEG, it will be available for physical injection or withdrawal on any point of the GRTgaz or TIGF gas grids in France

Adaptation of PEGAS order books

▪ Purpose of PEGAS adaptation methodology

- Avoid trades to be concluded with a delivery period starting after 1st Nov 2018 on:
 - TRS
 - PEG Nord, 1 month before merger

▪ Adaptation on Spot

- Progressive delisting of PEG Nord and TRS order books (before the merger)
 - Ex: DA to be delisted on 31st Oct 3 AM CET, WD to be delisted 1st Nov 2 AM CET
- Concomitantly, progressive creation of a PEG order book (until the merger)
 - Ex: DA to be available for trading on PEG order book on 31st October, WD on 1st Nov

▪ Adaptation on Futures

- Renaming of PEG Nord into PEG, one month before the merger
 - Allows the Nov 18 Front Month contract to be traded as PEG already as of 28th Sept
- Progressive delisting of TRS products, to avoid parallel listing beyond 1st Nov
 - TRS Futures maturities range from M+1 to M+6 on PEGAS. Nov 18 contract (and contracts onwards), that should start trading on 30th April (as a M+6) will never be tradable on PEGAS TRS.

Adaptation of PEGAS order books

On Futures

“PEG Nord” to be renamed in
“PEG” on 28 Sept 2018

	PEG NORD			
	Qty	Bid	Ask	Qty
M+1	2000	21,800	21,850	1200
M+2	1000	21,900	22,150	1000
M+3	750	22,000	22,200	500
Q+1	1500	22,150	22,250	2000
Q+2	1000	22,200	22,300	500
Q+3	600	22,300	22,650	500
S+1	1250	19,500	19,600	2000
S+2	700	19,250	19,500	1500
S+3	500	19,300	19,500	900
C+1	2000	19,000	19,150	1750
C+2	1500	19,100	19,200	1000
C+3	500	19,400	19,600	800

	TRS			
	Qty	Bid	Ask	Qty
M+1	1500	22,400	22,550	1000
M+2	1250	22,450	22,600	1250
M+3	750	22,500	22,600	500
M+4	1000	22,800	22,850	1500
M+5	1500	22,850	22,950	1250
M+6	1250	23,000	23,100	2000

Progressive delisting of
the TRS Futures
maturities

- M+6 to be delisted 6 months before the merger (on 30 April 2018)
- M+5 to be delisted 5 months before the merger (31 May 2018)
- Same procedure goes for M+4, M+3, M+2 & M+1

NB : The progressive delisting adaptation on TRS is pending technical approval.

In the alternative, PEGAS would have to cancel any TRS Futures trade with delivery beyond 1st November 2018

Other impacts on Futures

- Same rules will apply for OTC registration

- For example :

- it will not be possible to clear an OTC trade called “PEG Nord November 2018” after the 27th Sept
 - it will not be possible to clear an OTC trade called “TRS November 2018” after the 27th April (close of business)
 - Please make sure your brokers map its products accordingly

- In EUREX

- On PEG Nord

- PEG Nord contract will be renamed PEG on 28th of September 2018
 - Open Interest in this contract (previously traded as PEG Nord) will be delivered on PEG → No position transfer required

- On TRS

- There will be no remaining open interest in this contract → No position transfer required

Adaptation of PEGAS order books

On Spot

Creation of a new “PEG” Spot order book on 30th October 2018

PEG				
	Qty	Bid	Ask	Qty
WD	1750	20,800	20,900	1500
DA	1250	20,675	20,725	1250
ID 1	1000	21,500	21,750	1500
ID 2	750	21,300	21,800	1000
WE	1250	21,750	21,800	1000
SD	750	21,500	21,600	1000

Progressive integration of PEG Spot maturities in 4 steps, starting 30th October 2018:

- ID 1 “Day after Reformation” to be integrated on 30 Oct 2018 (3 AM CET)
- Day-Ahead and ID 2 “Day after All Saints’ Day” to be integrated on 31 Oct 2018 (3 AM CET)
- Within-Day to be integrated on 1 Nov 2018 (2 AM CET)
- WE and SD to be integrated on 1 Nov 2018 (3 AM CET)

PEG NORD				
	Qty	Bid	Ask	Qty
WD	2000	20,775	20,850	1200
DA	1000	20,625	20,700	1000

Progressive delisting of PEG Nord and TRS Spot maturities in 2 steps, starting 31th October 2018:

- Day-Ahead to be delisted on 31/10/18 (3 AM CET)
- Within-Day to be delisted on 01/11/18 (2 AM CET)

TRS				
	Qty	Bid	Ask	Qty
WD	2000	21,725	21,800	1500
DA	750	22,350	22,775	1000

Adaptation of PEGAS order books

On Spot : recap

		Delivery Day							
		29/10/2018 (Mon)	30/10/2018 (Tue)	31/10/2018 (Wed)	01/11/2018 (Thu)	02/11/2018 (Fri)	03/11/2018 (Sat)	04/11/2018 (Sun)	05/11/2018 (Mon)
TRADING DAY	29/10/2018 (Mon)	WD	DA						
	30/10/2018 (Tue)		WD	DA	ID				
	31/10/2018 (Wed)			WD	DA	ID			
	01/11/2018 (Thu)				WD	DA	WE		
	02/11/2018 (Fri)					WD	SAT	SUN	DA
	03/11/2018 (Sat)						SAT	SUN	DA
							WD	DA	

PEG Nord & TRS	PEG
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Other impacts on Spot

Trading screen adjustment for PEGAS Locational / CMP

In 1 step only

Before 1st Nov 2018
(2 AM CET)

Starting 1st Nov 2018
(2 AM CET)

GRTgaz PEG Nord				
	Qty	Bid	Ask	Qty
WD				
DA				
WE				

GRTgaz - TIGF TRS				
	Qty	Bid	Ask	Qty
WD				
DA				
WE				

GRTgaz - TIGF PEG				
	Qty	Bid	Ask	Qty
WD				
DA				
WE				

GRTgaz PEG Nord Downstream / GRTgaz PEG Nord				
	Qty	Bid	Ask	Qty
WD				

GRTgaz - TIGF TRS Downstream / GRTgaz - TIGF TRS				
	Qty	Bid	Ask	Qty
WD				

GRTgaz - TIGF PEG Downstream / GRTgaz - TIGF PEG				
	Qty	Bid	Ask	Qty
WD				

GRTgaz PEG Nord Downstream				
	Qty	Bid	Ask	Qty
WD				

GRTgaz - TIGF TRS Downstream				
	Qty	Bid	Ask	Qty
WD				

GRTgaz - TIGF PEG Downstream				
	Qty	Bid	Ask	Qty
WD				

- PEG Nord and TRS locational/CMP order books will be maintained until the WD contract 31/10/18 expires. DA products will not be used by TSOs on 31st Oct.
- Starting 1st November 2018 (2:00 AM CET), the “GRTgaz PEG Nord” and “GRTgaz – TIGF TRS” order books will be renamed “GRTgaz – TIGF PEG”

Other impacts

▪ Membership

- A market participant qualified on PEGAS for PEG Nord and/or TRS will automatically be eligible to trade on the new PEG products starting:
 - On Futures: 28th September 2018 - 08:00 AM CET
 - On Spot: 30th October 2018 - 03:00 AM CET

▪ Nord-TRS Market Coupling mechanism will stop on 30th October 2018

- This mechanism was operated by GRTgaz on the PEGAS TRS/PEG Nord DA spread as an attempt to align TRS and PEG Nord spot prices, anticipating the merger
- Consequently, the last operating day for this mechanism will be on 30th October 2018 (last DA spread maturity)

▪ No modification of ECC's shipper code

- ECC's shipper code on PEG will remain identical to the one currently in use on PEG Nord and TRS

Management of PEGAS indices

Methodology

- Existing PEG Nord and TRS prices references will be published until:
 - 27th September 2018, for references based on Front Month contracts
 - 30th October 2018, for references based on Day-Ahead contracts
 - 31st October 2018, for references based on Within-Day contracts
- From then on, all corresponding PEGAS indices will respectively be published on PEG
- Just like PEG Nord and TRS, the PEG contracts will be settled from:
 - 5:15 pm CET to 5:30 pm CET for Spot (EoD)
 - 5:00 pm CET to 5:15 pm CET for Futures (Settlement prices)
- Price references WDRP, EGSI, EGIX and Monthly Index will also be available for PEG under the same conditions as currently

APPENDICES

Step by step delisting of PEGAS contracts
Detailed management of PEGAS indices

Adaptation of PEGAS order books On Futures

Until 27th Apr 2018
(End of Business Day)

No PEG order book



	PEG NORD			
	Qty	Bid	Ask	Qty
M+1	2000	21,800	21,850	1200
M+2	1000	21,900	22,150	1000
M+3	750	22,000	22,200	500
Q+1	1500	22,150	22,250	2000
Q+2	1000	22,200	22,300	500
Q+3	600	22,300	22,650	500
S+1	1250	19,500	19,600	2000
S+2	700	19,250	19,500	1500
S+3	500	19,300	19,500	900
C+1	2000	19,000	19,150	1750
C+2	1500	19,100	19,200	1000
C+3	500	19,400	19,600	800

	TRS			
	Qty	Bid	Ask	Qty
M+1	1500	22,400	22,550	1000
M+2	1250	22,450	22,600	1250
M+3	750	22,500	22,600	500
M+4	1000	22,800	22,850	1500
M+5	1500	22,850	22,950	1250
M+6	1250	23,000	23,100	2000

Adaptation of PEGAS order books On Futures

On 30th Apr 2018
(8 AM CET)
(6 months before merger)

No PEG order book



	PEG NORD			
	Qty	Bid	Ask	Qty
M+1	2000	21,800	21,850	1200
M+2	1000	21,900	22,150	1000
M+3	750	22,000	22,200	500
Q+1	1500	22,150	22,250	2000
Q+2	1000	22,200	22,300	500
Q+3	600	22,300	22,650	500
S+1	1250	19,500	19,600	2000
S+2	700	19,250	19,500	1500
S+3	500	19,300	19,500	900
C+1	2000	19,000	19,150	1750
C+2	1500	19,100	19,200	1000
C+3	500	19,400	19,600	800

	TRS			
	Qty	Bid	Ask	Qty
M+1	1500	22,400	22,550	1000
M+2	1250	22,450	22,600	1250
M+3	750	22,500	22,600	500
M+4	1000	22,800	22,850	1500
M+5	1500	22,850	22,950	1250

Adaptation of PEGAS order books On Futures

On 31st May 2018
(8:00 AM CET)
(5 months before merger)

No PEG order book



	PEG NORD			
	Qty	Bid	Ask	Qty
M+1	2000	21,800	21,850	1200
M+2	1000	21,900	22,150	1000
M+3	750	22,000	22,200	500
Q+1	1500	22,150	22,250	2000
Q+2	1000	22,200	22,300	500
Q+3	600	22,300	22,650	500
S+1	1250	19,500	19,600	2000
S+2	700	19,250	19,500	1500
S+3	500	19,300	19,500	900
C+1	2000	19,000	19,150	1750
C+2	1500	19,100	19,200	1000
C+3	500	19,400	19,600	800

	TRS			
	Qty	Bid	Ask	Qty
M+1	1500	22,400	22,550	1000
M+2	1250	22,450	22,600	1250
M+3	750	22,500	22,600	500
M+4	1000	22,800	22,850	1500

Adaptation of PEGAS order books On Futures

On 29th Jun 2018
(8:00 AM CET)
(4 months before merger)

No PEG order book



	PEG NORD			
	Qty	Bid	Ask	Qty
M+1	2000	21,800	21,850	1200
M+2	1000	21,900	22,150	1000
M+3	750	22,000	22,200	500
Q+1	1500	22,150	22,250	2000
Q+2	1000	22,200	22,300	500
Q+3	600	22,300	22,650	500
S+1	1250	19,500	19,600	2000
S+2	700	19,250	19,500	1500
S+3	500	19,300	19,500	900
C+1	2000	19,000	19,150	1750
C+2	1500	19,100	19,200	1000
C+3	500	19,400	19,600	800

	TRS			
	Qty	Bid	Ask	Qty
M+1	1500	22,400	22,550	1000
M+2	1250	22,450	22,600	1250
M+3	750	22,500	22,600	500

Adaptation of PEGAS order books On Futures

On 31st July 2018
(8:00 AM CET)
(3 months before merger)

No PEG order book



	PEG NORD			
	Qty	Bid	Ask	Qty
M+1	2000	21,800	21,850	1200
M+2	1000	21,900	22,150	1000
M+3	750	22,000	22,200	500
Q+1	1500	22,150	22,250	2000
Q+2	1000	22,200	22,300	500
Q+3	600	22,300	22,650	500
S+1	1250	19,500	19,600	2000
S+2	700	19,250	19,500	1500
S+3	500	19,300	19,500	900
C+1	2000	19,000	19,150	1750
C+2	1500	19,100	19,200	1000
C+3	500	19,400	19,600	800

	TRS			
	Qty	Bid	Ask	Qty
M+1	1500	22,400	22,550	1000
M+2	1250	22,450	22,600	1250

Adaptation of PEGAS order books On Futures

On 31st Aug 2018
(8:00 AM CET)
(2 months before merger)

No PEG order book



	PEG NORD			
	Qty	Bid	Ask	Qty
M+1	2000	21,800	21,850	1200
M+2	1000	21,900	22,150	1000
M+3	750	22,000	22,200	500
Q+1	1500	22,150	22,250	2000
Q+2	1000	22,200	22,300	500
Q+3	600	22,300	22,650	500
S+1	1250	19,500	19,600	2000
S+2	700	19,250	19,500	1500
S+3	500	19,300	19,500	900
C+1	2000	19,000	19,150	1750
C+2	1500	19,100	19,200	1000
C+3	500	19,400	19,600	800

	TRS			
	Qty	Bid	Ask	Qty
M+1	1500	22,400	22,550	1000

Adaptation of PEGAS order books On Futures

Until 27th Sept 2018
(End of Gas Day)
(2 months before merger)

No PEG order book



	PEG NORD			
	Qty	Bid	Ask	Qty
M+1	2000	21,800	21,850	1200
M+2	1000	21,900	22,150	1000
M+3	750	22,000	22,200	500
Q+1	1500	22,150	22,250	2000
Q+2	1000	22,200	22,300	500
Q+3	600	22,300	22,650	500
S+1	1250	19,500	19,600	2000
S+2	700	19,250	19,500	1500
S+3	500	19,300	19,500	900
C+1	2000	19,000	19,150	1750
C+2	1500	19,100	19,200	1000
C+3	500	19,400	19,600	800

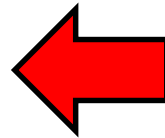
	TRS			
	Qty	Bid	Ask	Qty
M+1	1500	22,400	22,550	1000

Adaptation of PEGAS order books On Futures

On 28th Sept 2018
(8:00 AM CET)
(1 month before merger)

	PEG			
	Qty	Bid	Ask	Qty
M+1	2000	21,800	21,850	1200
M+2	1000	21,900	22,150	1000
M+3	750	22,000	22,200	500
Q+1	1500	22,150	22,250	2000
Q+2	1000	22,200	22,300	500
Q+3	600	22,300	22,650	500
S+1	1250	19,500	19,600	2000
S+2	700	19,250	19,500	1500
S+3	500	19,300	19,500	900
C+1	2000	19,000	19,150	1750
C+2	1500	19,100	19,200	1000
C+3	500	19,400	19,600	800

PEG Nord order book was
renamed PEG



No TRS order book



Adaptation of PEGAS order books

On Spot

Until 29th Oct 2018
 (Until 3 AM CET)
 (3 days before the merger)

No PEG order book



	PEG NORD			
	Qty	Bid	Ask	Qty
WD	2000	20,775	20,850	1200
DA	1000	20,625	20,700	1000

	TRS			
	Qty	Bid	Ask	Qty
WD	2000	21,725	21,800	1500
DA	750	22,350	22,775	1000

Adaptation of PEGAS order books

On Spot

On 30th Oct 2018
(3 AM CET)
(2 days before merger)

PEG				
Qty	Bid	Ask	Qty	
ID 1	1000	21,500	21,750	1500

PEG NORD				
	Qty	Bid	Ask	Qty
WD	2000	20,775	20,850	1200
DA	1000	20,625	20,700	1000

TRS				
	Qty	Bid	Ask	Qty
WD	2000	21,725	21,800	1500
DA	750	22,350	22,775	1000

- “ID 1” represents the Individual Day non Bank Holiday “Day after Reformation”
 - First day of trading: 30 Oct 2018 – 03:00 CET
 - Last day of trading: 31 Oct 2018 – 03:00 CET
 - Delivery day: 1 Nov 2018 – 06:00 CET
 - Delivery end: 2 Nov 2018 – 06:00 CET

Adaptation of PEGAS order books

On Spot

On 31st Oct 2018
(3 AM CET)
(1 day before merger)

	PEG			
	Qty	Bid	Ask	Qty
DA	1250	20,675	20,725	1250
ID 2	750	21,300	21,800	1000

	PEG NORD			
	Qty	Bid	Ask	Qty
WD	2000	20,775	20,850	1200

	TRS			
	Qty	Bid	Ask	Qty
WD	2000	21,725	21,800	1500

- “ID 2” represents the Individual Day non Bank Holiday “Day after All Saints’ Day”
 - First day of trading: 31 Oct 2018 – 03:00 CET
 - Last day of trading: 1 Nov 2018 – 03:00 CET
 - Delivery day: 2 Nov 2018 – 06:00 CET
 - Delivery end: 3 Nov 2018 – 06:00 CET

Adaptation of PEGAS order books

On Spot

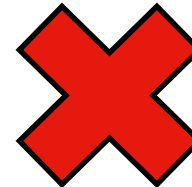
On 1st Nov 2018
 (3 AM CET)
 (Day of the merger)

	PEG			
	Qty	Bid	Ask	Qty
WD	1750	20,800	20,900	1500
DA	1250	20,675	20,725	1250
WE	1250	21,750	21,800	1000
SD	750	21,500	21,600	1000

No PEG Nord order book



No TRS order book



Management of PEGAS indices [1/3]

PEGAS WD Indices

- **Within-Day Reference Price (WDRP) Index**
 - The PEGAS PEG Nord WDRP Index (published until 31st October 2018) will be based on volume-weighted average price of the trades executed from 8:00 AM to 6:00 PM CET on the PEG Nord Within-Day contract
 - The PEGAS TRS WDRP Index will work on the same way : it will be based on volume-weighted average price of the trades executed from 8:00 AM to 6:00 AM CET on the TRS Within-Day contract
 - Starting 1st November 2018, the PEGAS PEG WDRP Index will logically be based on volume-weighted average price of the trades executed from 8:00 AM to 6:00 PM CET on the PEG Within-Day contract

Management of PEGAS indices [2/3]

PEGAS DA Indices

According to the same logic :

- **End of Day (EOD) Index**
 - The PEGAS PEG Day Ahead EOD Index for 1st Nov (published 31st October 2018) will be based on settlement price computed during 31st of Oct settlement window on the PEG Day Ahead contract
- **European Gas Spot Index (EGSI)**
 - The PEGAS PEG Day Ahead EGSI for 1st November 2018 (published 31st October 2018) will be based on volume-weighted average price computed during 31st October 2018 trading day on the PEG Day Ahead contract
- **NB: End of Day (EOD) and European Gas Spot Index (EGSI) for Weekend contracts**
 - EOD and EGSI indices are also computed for Weekend contracts
 - They are then based on trades concluded on the preceding Friday
 - 1st November 2018 being a Thursday, there will be no issue there

Management of PEGAS indices [3/3]

PEGAS Futures Indices

- **Monthly Index**

- The November 2018 PEGAS PEG Nord Futures Monthly Index (published 30th October 2018) will be based on settlement prices computed in October 2018 on the PEG Front Month contract

- **European Gas Index (EGIX)**

- The November 2018 PEGAS PEG Nord EGIX (published 30th October 2018) will be based on all volume-weighted daily average prices computed in October 2018 on the PEG Front Month contract

Thank you

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pegas is the gas trading
platform of eex group,
operated by powernext