



**TRADING
HUB
EUROPE**
keep in balance

Introductory Presentation



A short review of 2023

- **Storage levels**

- Germany enters storage season (1 April 2023) with well-filled storage facilities (64%)
- Filling level targets are reached early:
 - 85% target for 1 October reached on 20 July 2023
 - 95% target for 1 November reached on 24 September 2023

- **Gas prices**

- Since January 2023, gas prices have been trending downwards with moderate (seasonal) corrections

- **Market area status**

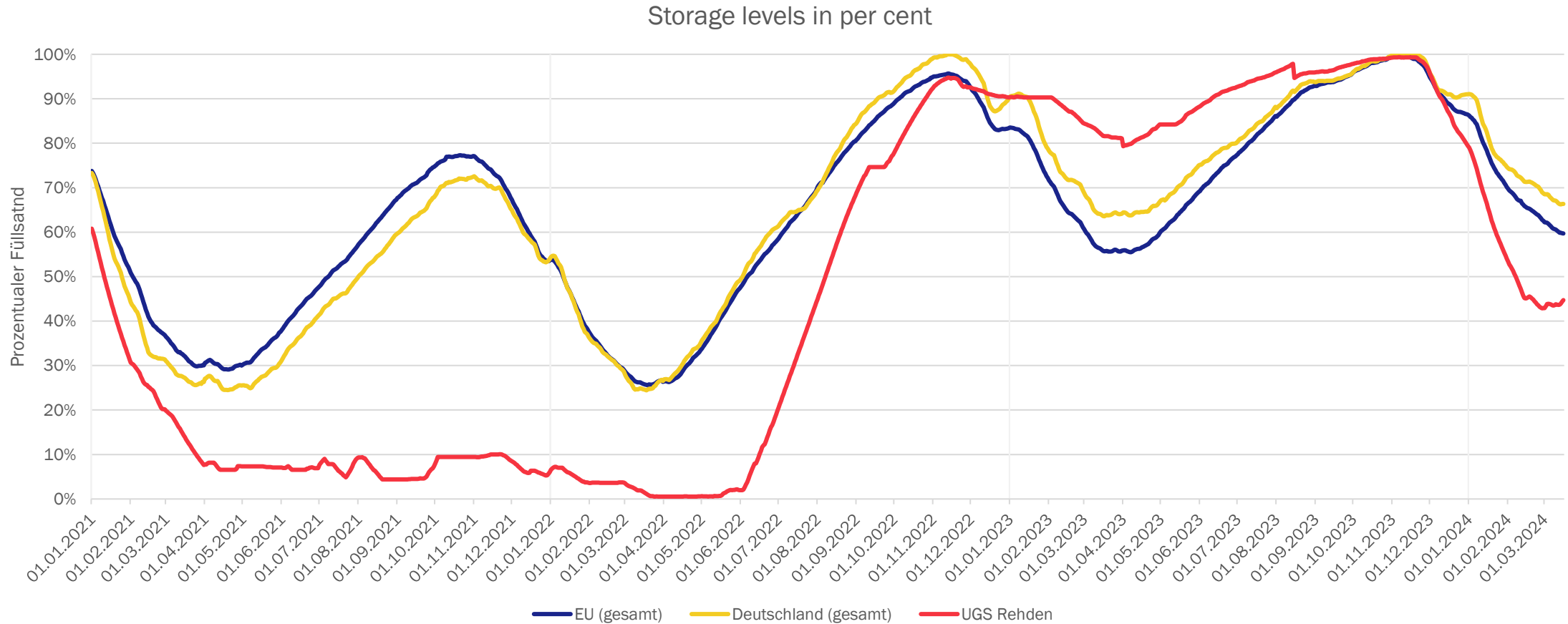
- Combination of H-gas undersupply and L-gas oversupply has led to more income than expenditure in GY 2022/2023 (deployment of balancing gas)

- **Average price for gas purchased for balancing purposes**

- approx. 46 EUR/MWh (04/2023 - 03/2024) vs. approx. 104 EUR/MWh in the prior year (04/2022 - 03/2023)

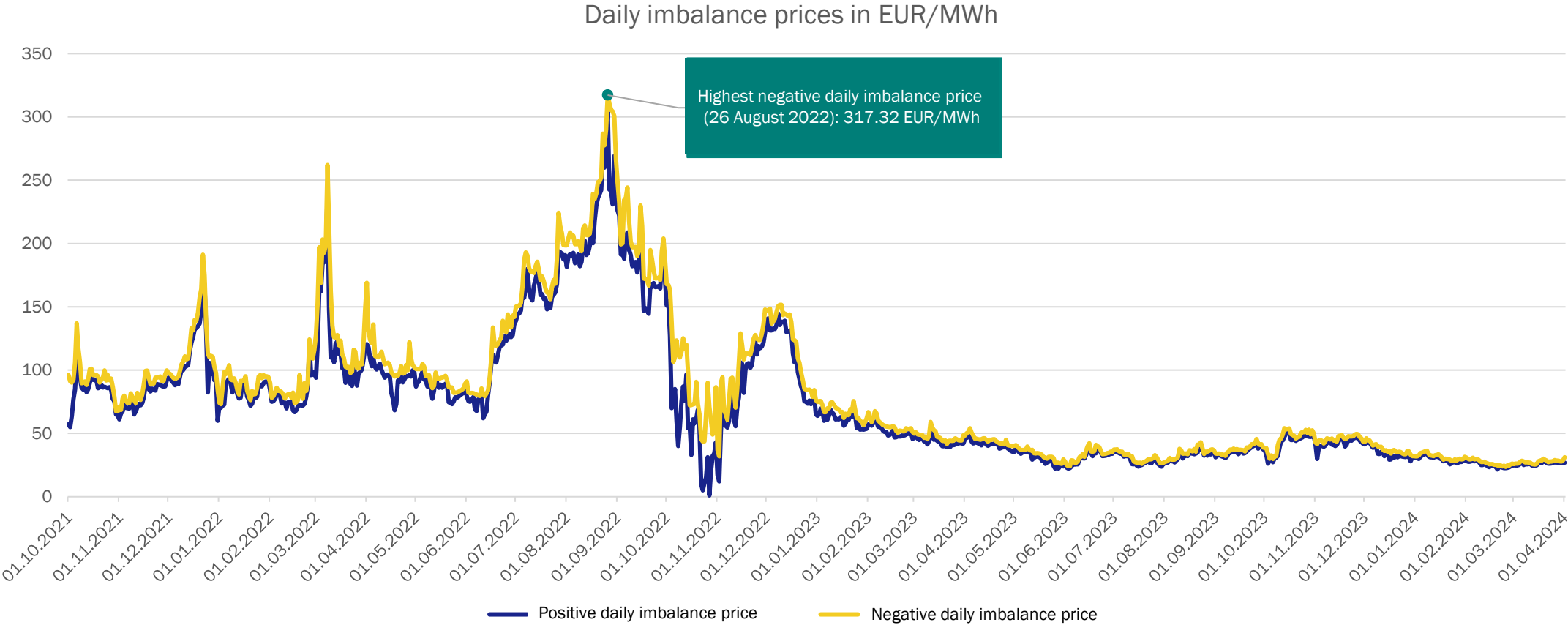
Storage levels up until March 2024

EU, Germany and Rehden



Source: Gas Infrastructure Europe

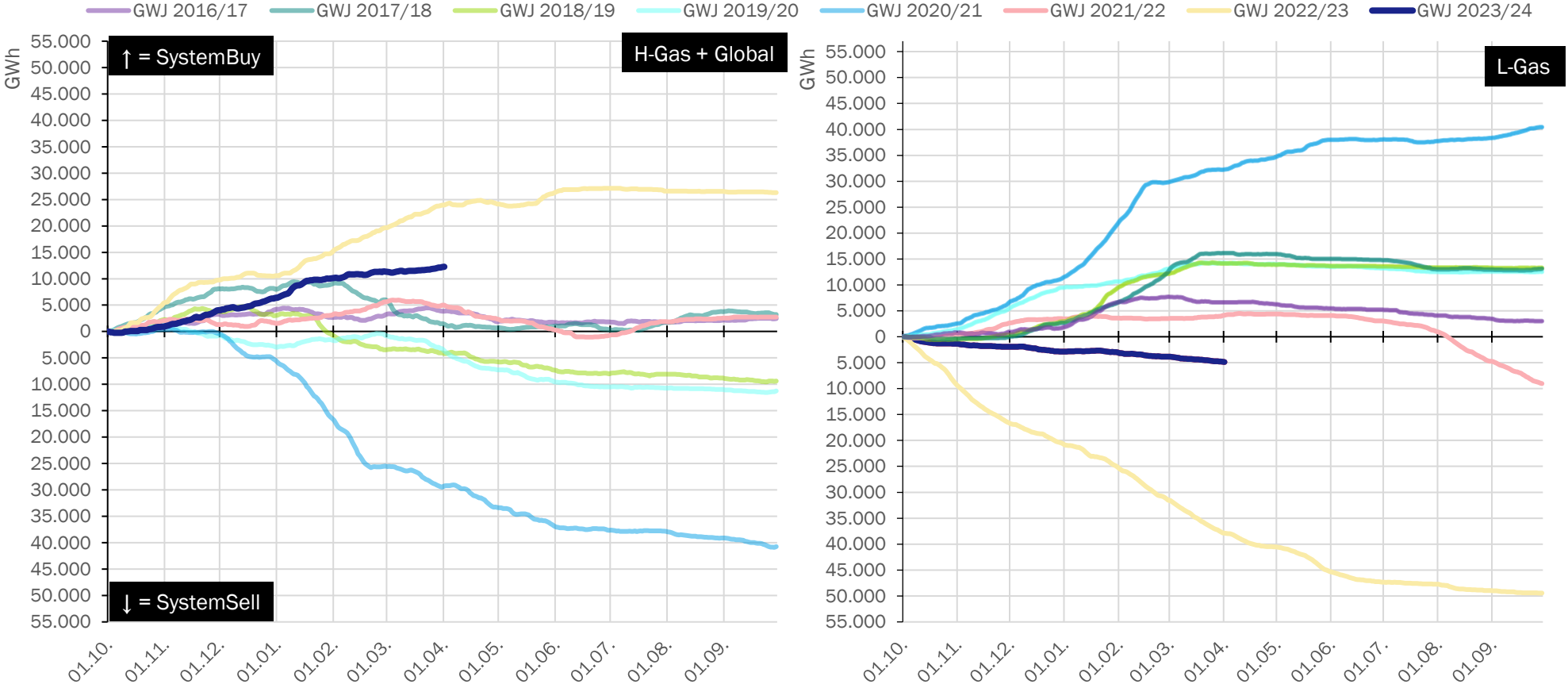
Daily imbalance prices (October 2021 – March 2024)



Cumulative use of balancing actions

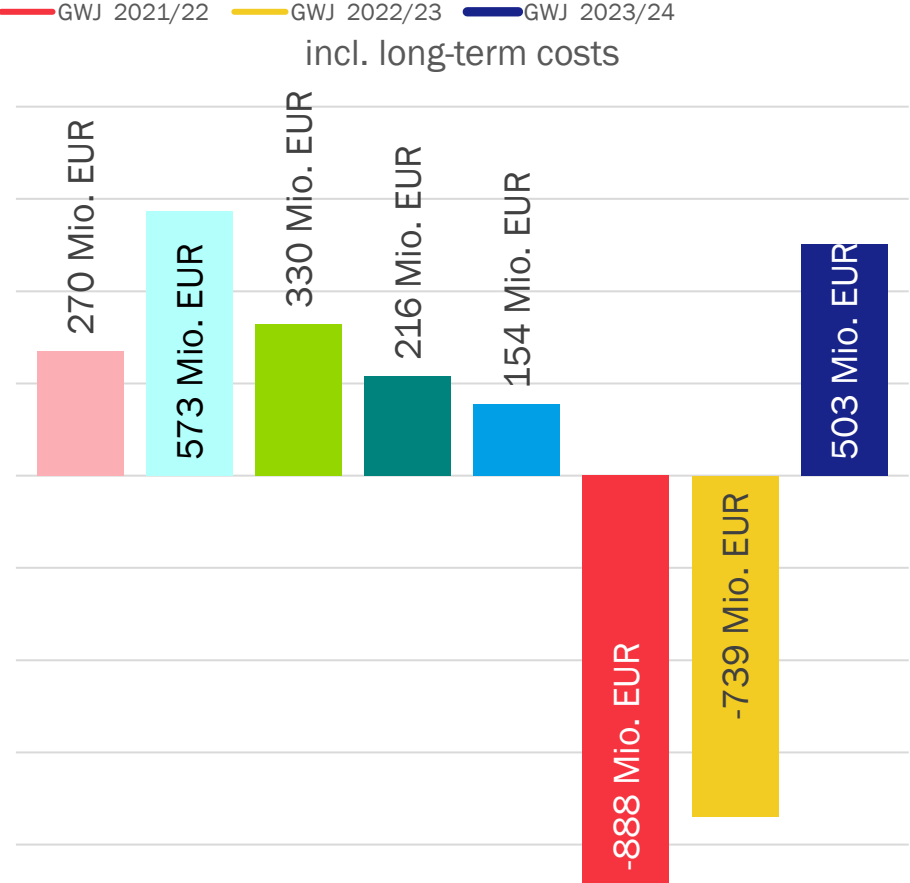
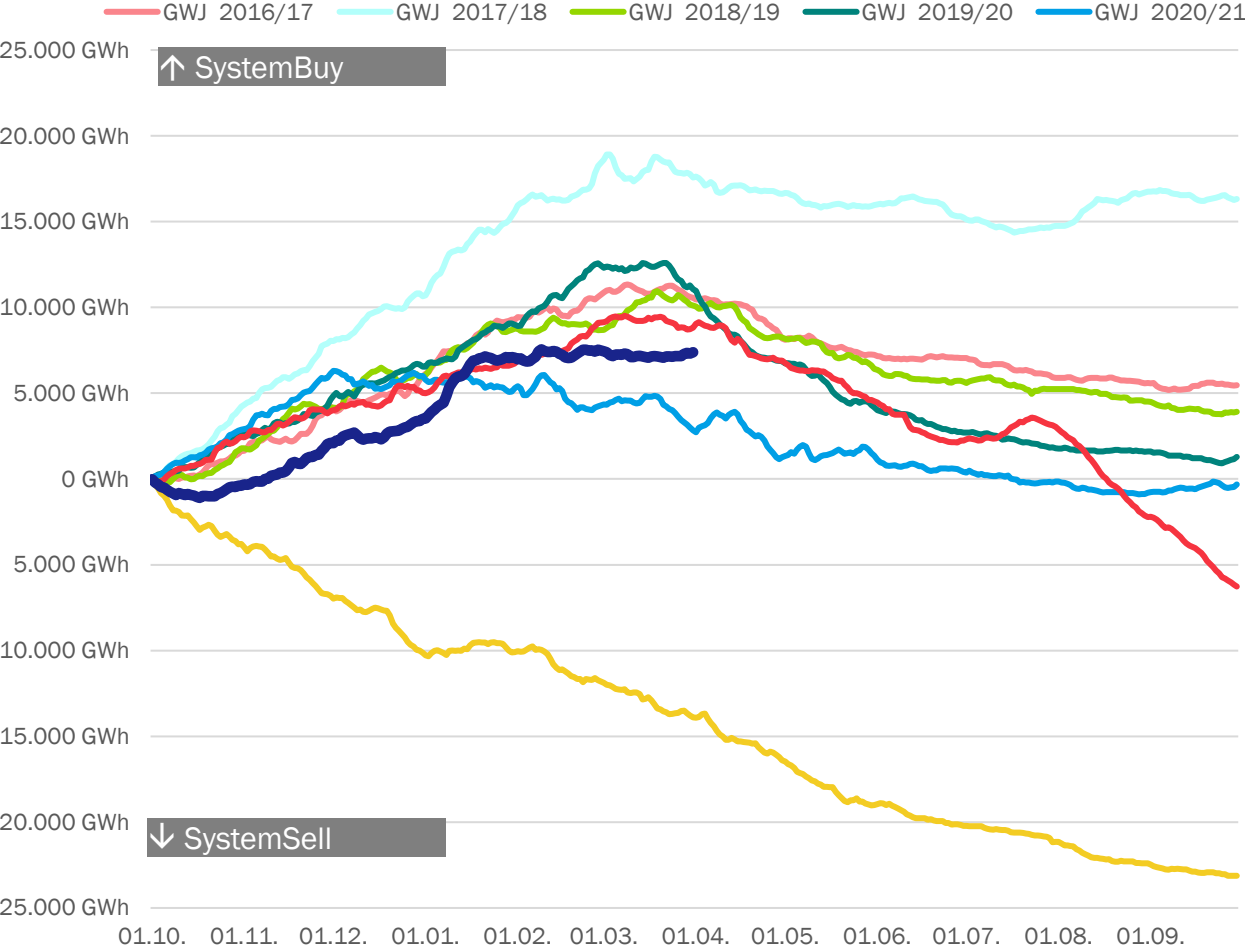
Net quantities, annual comparison by gas quality

Cumulative use of balancing actions – Net quantities, annual comparison by gas quality



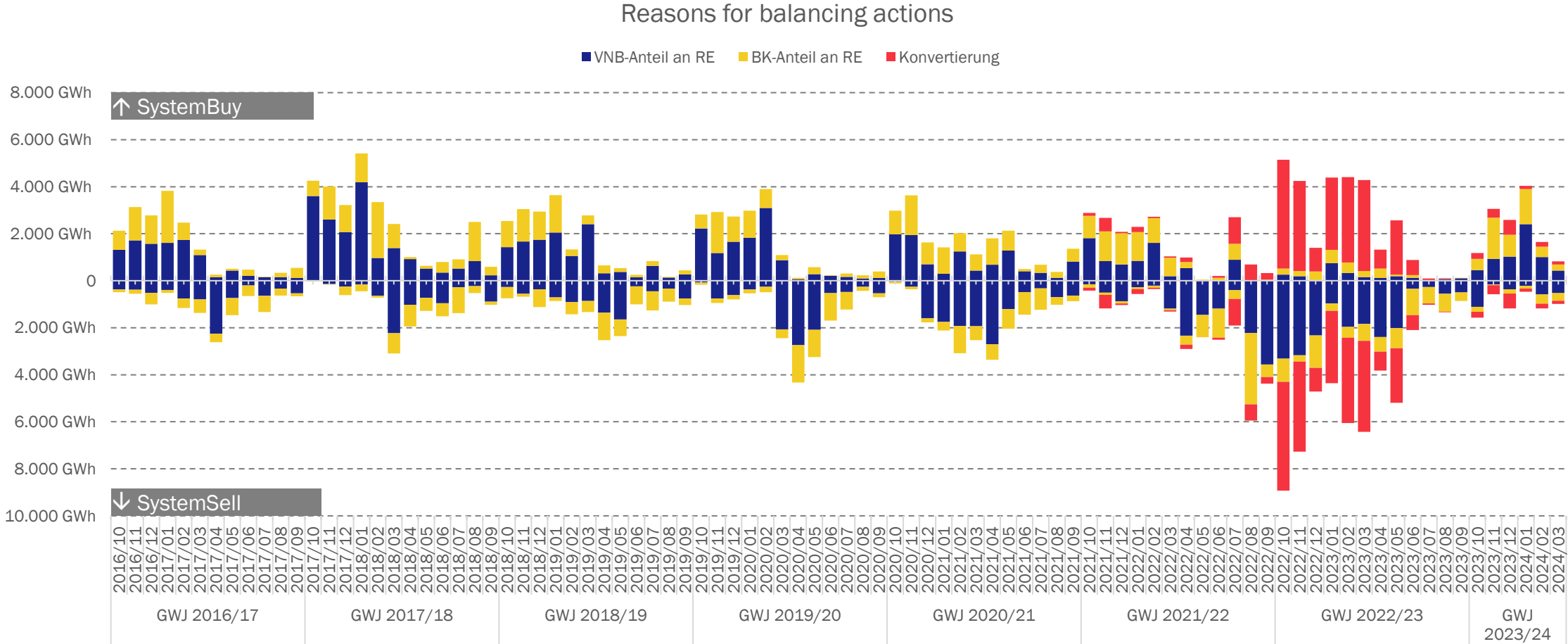
Balancing actions per GY

Cumulated gas quantities and costs



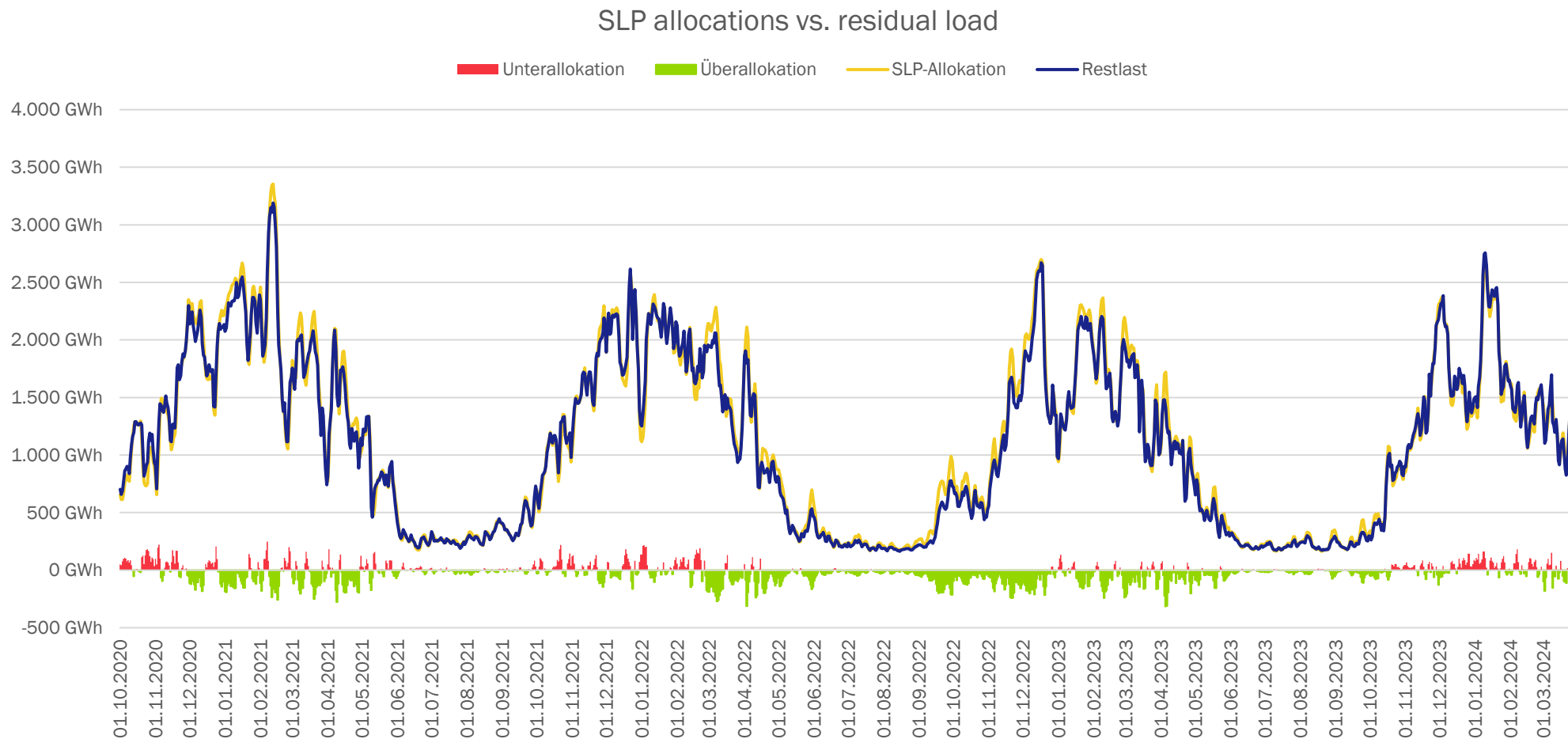
Reasons for balancing actions

DSO/BGM share of balancing actions per month

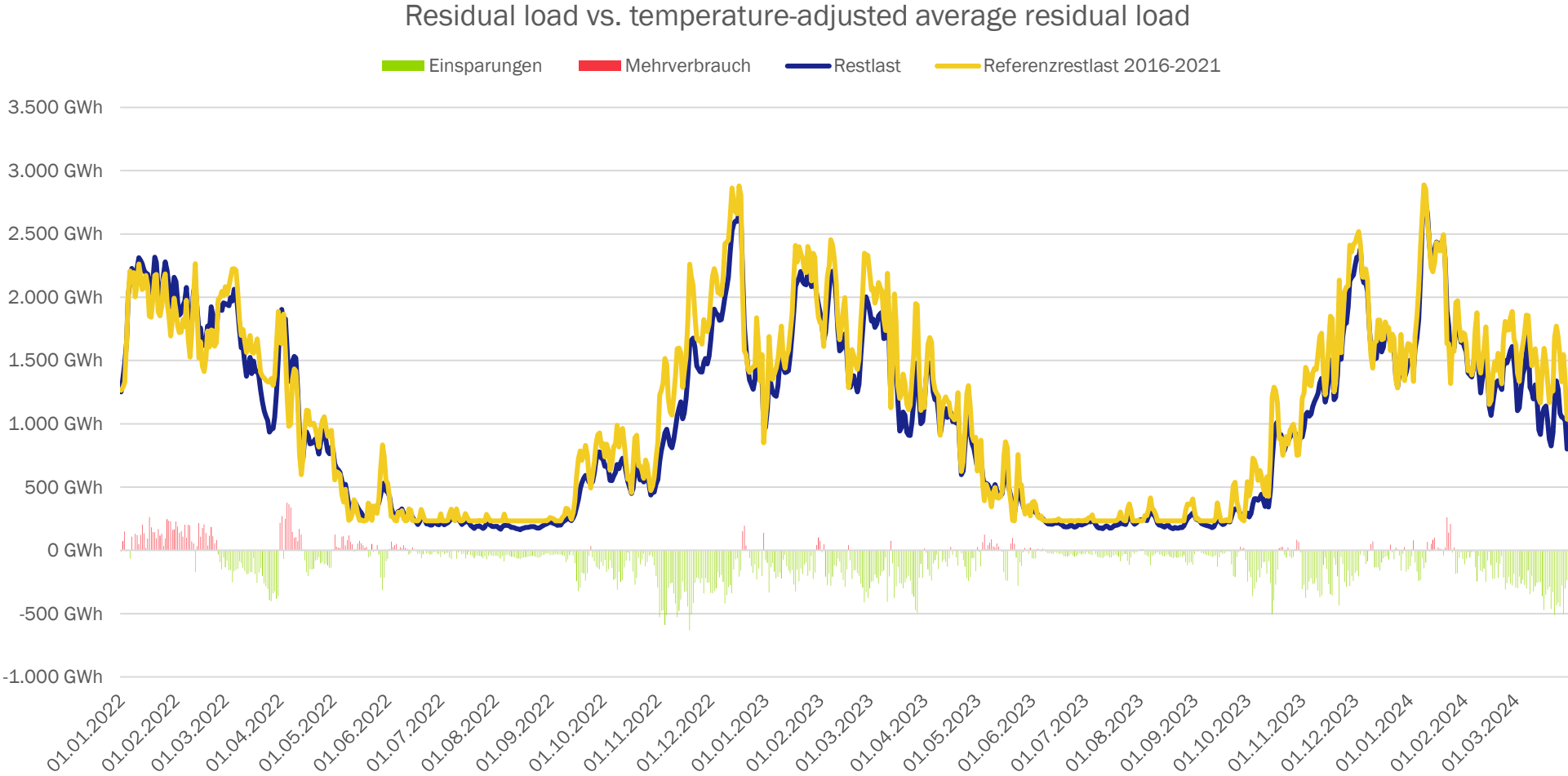


SLP allocations vs. residual load

SLP allocations and residual load per gas day

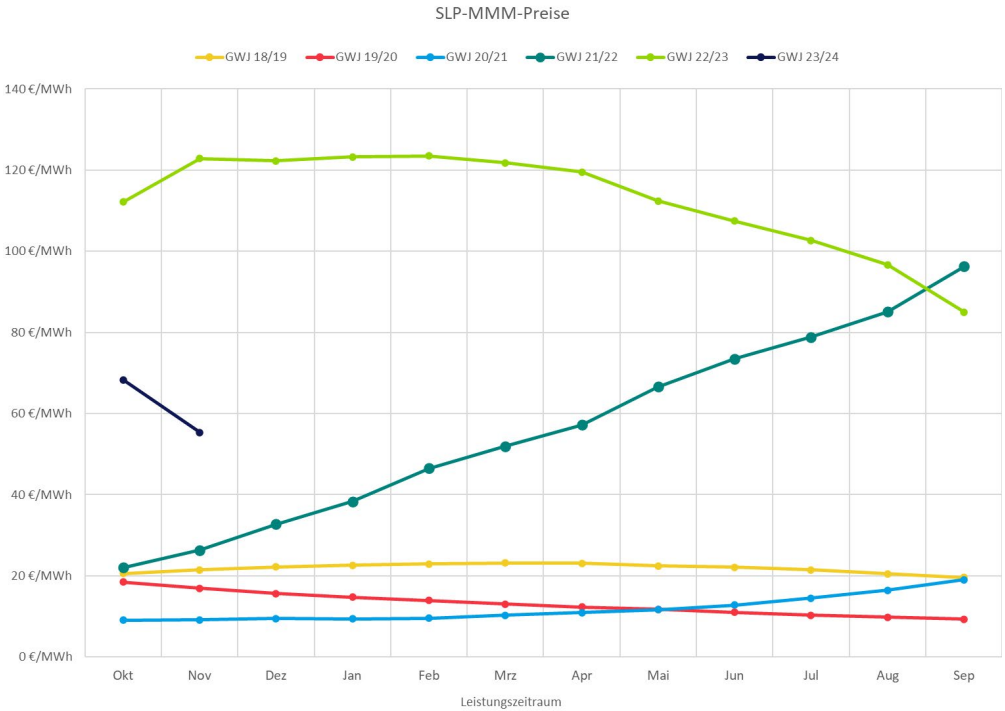


Residual load vs. temperature-adjusted residual load



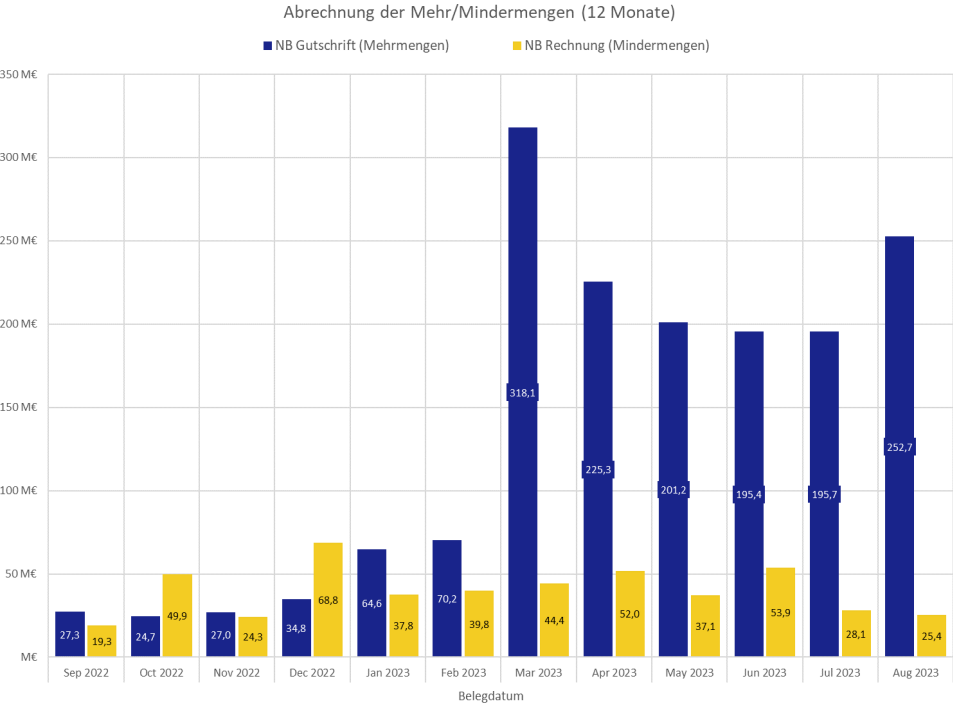
Current invoicing of reconciliation quantities: Decreasing prices and high positive reconciliation quantities

SLP reconciliation quantity prices



Invoicing of reconciliation quantities (12 months)

■ NB Gutschrift (Mehrungen) ■ NB Rechnung (Mindermengen)



- Prices for SLP reconciliation quantities have been falling steadily since 04/2023 (the reconciliation prices are based on a "12-month average gas price" from EEX and are used with a one-month offset)
- Since 01/2023, there has been a significant increase in positive reconciliation quantities (SLP over-allocation in the network balancing accounts)

Transit quantities in THE market area

- Determination of transit quantities: ExitSo quantities less the quantities injected into German storage facilities (called off via AGSI+)



Status and outlook

- **Storage Act**
 - Extension until 31 March 2027
 - In the 2023/24 winter season, THE sold and withdrew large quantities of gas from storage
 - Use of "filling instruments" to achieve the minimum storage level targets
- **Market Maker Programme**
 - THE intends to tender market maker services again in order to increase liquidity in the futures market at the VTP
- **Decision on the recognition of instruments to increase capacity**
("Anerkennung von Instrumenten zur Kapazitätserhöhung" – ANIKA)
 - Instruments that are procured to hedge already marketed FZK in a congestion situation (market-based instruments) had their time limitations cancelled as of 1 October 2024.
- **THE- Survey on Virtual Trading Point**
 - Please join from July, 3th until July 14th 2024
- **Changes on the Board of Management from Juli 2024**
 - Dr Thomas Becker and Jörg Ehmke will leave the company on 1 July 2024
 - Organisational and operational structure will change

THE – Market Maker 2024 (1)

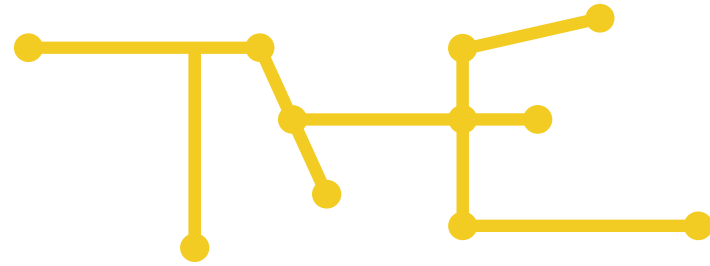
- Objective: Increase liquidity on futures market in THE market area
- Measurand: Transactions executed via exchange/broker/OTC platforms¹
- Contract types:
 - Month +1; M+2; M+3; M+4; M+5; M+6
 - Quarter +1; Q+2; Q+3; Q+4; Q+5; Q+6
 - Location Spreads are not counted
- Weighting:²
 - Monthly products count as 1 transaction each
 - Quarterly products count as 3 transactions each
- Minimum transaction size: 1 MW
- Total budget: € 1,000,000

¹ Trading on platforms in which the trader is a shareholder is not counted. In the case of OTC platforms, only multilateral OTC platforms without a fixed counterparty are counted.

² Regardless of the volume, whether 10 MW or 1 MW of a monthly product is traded, it is always counted as one transaction

THE – Market Maker Programme 2024 (2)

- Allocation of the budget: Acceptance of up to 8 bids
 - 1st bidder receives € 250,000
 - 2nd bidder receives € 150,000
 - 3rd-8th bidder receive € 100,000 each
- Bidding period: 03.06.2024 – 17.06.2024
- Contract period: 01.07.2024, 06:00 – 01.07.2025, 06:00



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