System Upgrade of Intraday gas market (IM)
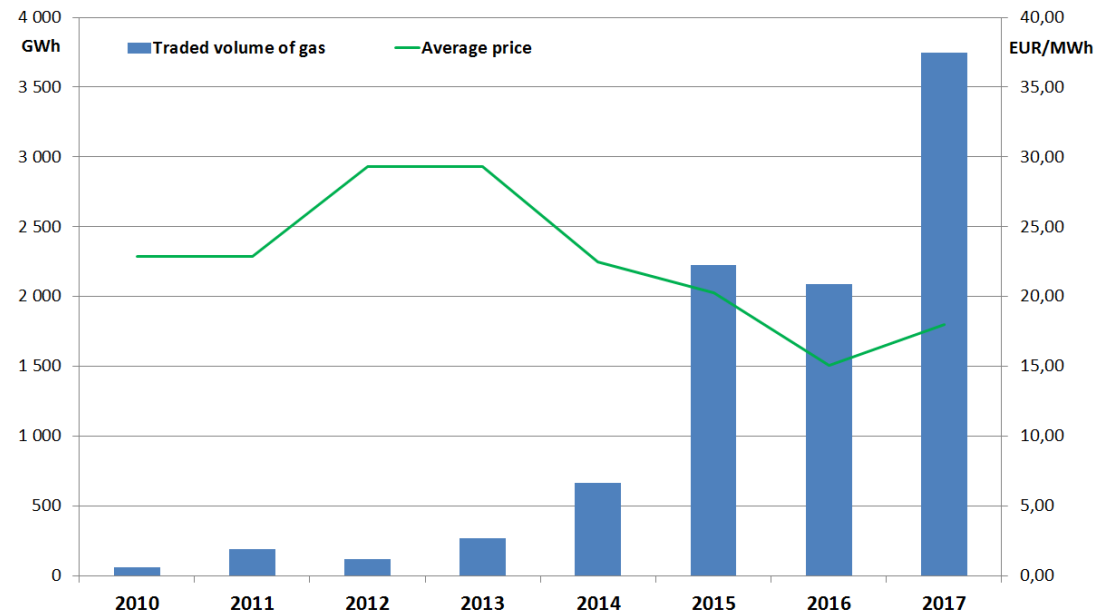
Combining opportunities with markets

- Since 2010, when OTE launched trading with gas, not only the world of gas trading but also the world of IT changed a lot. This brings new requirements and challenges which we have to face.

- The increasing interest of market participants in trading on Gas IM and the already implemented NC BAL, which cause growing liquidity of this market, motivate OTE to make trading more user-friendly.

- With regard to the successful implementation of a comparable application for Electricity IM and to the feedback from the market participants, OTE decided to implement a similar application for Gas IM.

Combining opportunities with markets

New communication and application technologies

Adjustable GUI

Gas IM

Simple order management

New FS principle

Innovated IM platform

- Design based on **the experiences and needs of the market participants**

- Available via **standalone application** or **automatic communication**

- Used **state of the art technologies**

- Enables **faster** order creation and **trading**

The most important changes of IM

Terminology

- Instead of the term Product, the term Contract will be used
- Instead of Contracts number, the quantity will be set in MWh

Orders

- Along the Limit order, it will be possible to use an Iceberg order
- New execution restrictions IOC (Immediate or Cancel) and FOK (Fill or Kill) will be added
- A new time restriction Good Till Date (GTD) will be added to the current time restriction Good for trading session (GFS)
- It will be possible to use a fast acceptance of an order
- It will be possible to modify an order, it will no longer be necessary to cancel it and submit a new one

Financial security

- A new financial security principle for faster submitting of orders

Trading screen

- A client application on the side of a market marticipant with a new form of the Trading screen

Trading Screen

- **New standalone application** for trading on the Gas IM

- **Own setting of panel display** and the **layout** of the trading screen possible

- The user can choose from saved types of trading screen layouts for a **quick selection**

- New functionalities to enable a faster response to the current market situation

New ways to work with orders

Order type:

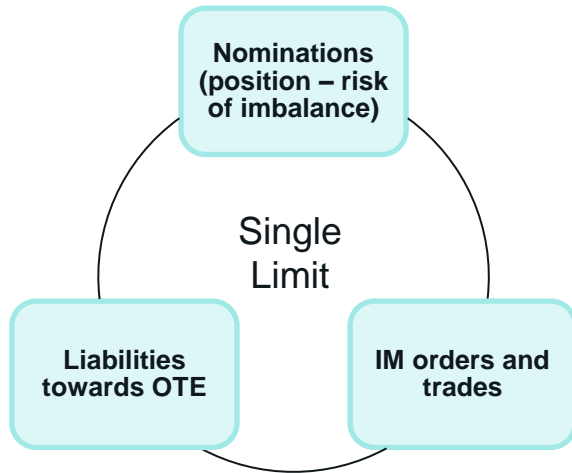- **ICEBERG** – the bid is shown **gradually** according to the quantity step set by user

Execution restrictions:

- **Fill or Kill** – trade immediately the **whole volume or nothing**

- **Immediate or Cancel** – trade immediately **something or nothing**

Time restrictions:

- **Good for trading session** – **no** time **restriction**

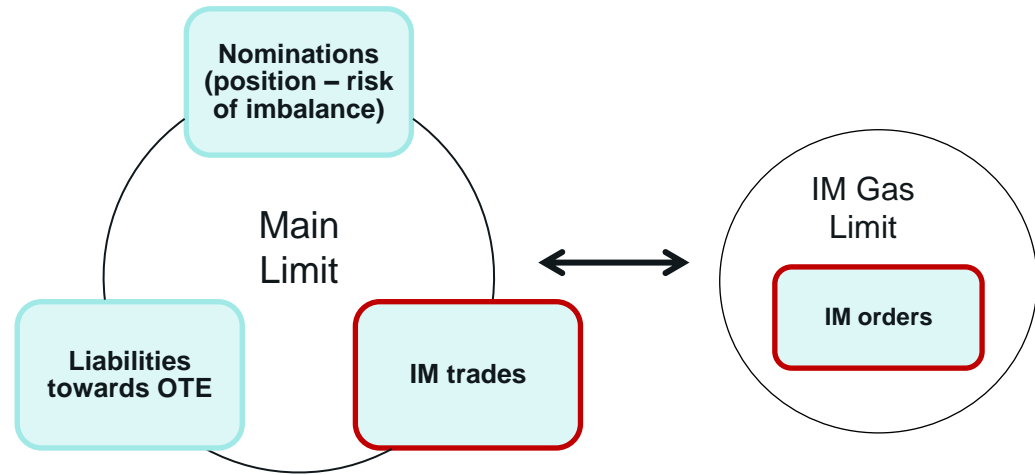- **Good till date** – **defined** time **restriction**

Changes in Financial security

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After implementation

Nominations (position – risk of imbalance)

Single Limit

Liabilities towards OTE

IM orders and trades

Nominations (position – risk of imbalance)

Main Limit

Liabilities towards OTE

IM trades

IM Gas Limit

IM orders

One queue for financial security check of all participant´s trades:
- IM Market (trades and orders)
- Imbalances, i.e. positions from nominations, estimates of customers´ consumption and real liabilities

1. Queue for financial security check of all participant´s trades:
- Imbalances, i.e. positions from nominations, estimates of customers´ consumption and real liabilities
- **IM (trades)**

2. Newly created queue for participant´s finacial security check:
- **IM (orders)**

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- **Changes** in the interface and the communication messages

- **New technology** for communication messages exchange via the **AMQP protocol** (Advanced Message Queuing Protocol) (http://www.rabbitmq.com/) *

- All messages sent between the user and the application have their own XML based **content defined by the user**

* The same protocol type as is used for IM/BalM with electricity

Implementation timeline *

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12/2017
- **Start of work on the innovated platform**

3-7/2018
- **Implementation and internal testing**
- **Publication of the interface specification**

8/2018
- **Testing with Market Participants**
- **Testing evaluation**

9/2018
- **Expected go-live**

* Details about testing and implementation including exact dates will be announced well in advance

***Innovated application** for trading on Intraday Gas Market in the Czech Republic, developed by OTE a.s., enables users to **respond faster** to the **current market situation**, 365 days a year.*

In case of questions regarding the innovated solution and testing, please contact spot-markets@ote-cr.cz

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