

2018: Best Year Ever for TGE's Electricity and Natural Gas Trading

Summary of activity on the markets operated by TGE

Press Release

- **In 2018, the volume of electricity trade at TGE totalled 226,052,409 MWh, which means an increase by 102.5 per cent comparing to the 2017 level. It is also the best result in the history of trading on TGE - both as a whole and individually for spot and forward markets.**
- **The volume of transactions concluded on natural gas markets in 2018 totalled 143,305,606 MWh, which means a YoY increase by 3.4 per cent and is the best result ever in the history of trading at TGE.**
- **The volume of electricity property rights traded in the last year totalled 59,302,830 MWh. This means an increase by 0.4 per cent comparing to the 2017 result.**

Electricity

In 2018, the volume of electricity trade at TGE totalled 226,052,409 MWh, which means an increase by 102.5 per cent comparing to the 2017 level. It is also the best result in the history of trading on TGE - both as a whole and individually for spot and forward markets. On the spot market, the volume increased by 9.8 per cent to 27,714,704 MWh. On the Day Ahead Market (DAM), the volume was 27,637,223 MWh, going up by 9.9 per cent, while on the Intraday Market it fell down by 14.5 per cent to 77,481 MWh. On the Commodity Forward Instruments Market with Physical Delivery (CFIM), the volume grew by 129.5 per cent YoY reaching 198,337,705 MWh.

In December, the electricity trade volume totalled 15,443,219 MWh, up by 15.9 per cent comparing to December 2017. The trade on the CFIM accounted for 12,735,089 MWh (increase by 18.0 per cent YoY) and on the spot market - 2,708,130 MWh (increase by 7.0 per cent YoY).

In 2018, the weighted average price of the BASE contract on the Day Ahead Market was 224.71 PLN/MWh going up by 66.75 PLN/MWh above the 2017 level. In December, the price of this contract was 218.01 PLN/MWh, which means a MoM decrease by 36.89 PLN/MWh. On the CFIM, the price of the contract with base load delivery in 2019 (BASE_Y-19) averaged 242.40 PLN/MWh in 2018, which means a growth by 74.90 PLN/MWh comparing to the price from the quotations of the BASE_Y-18 contract in the year 2017. In December, the price of BASE_Y-19 dropped down against the November level by 5.44 PLN/MWh, to 281.17 PLN/MWh.

Natural gas

The volume of transactions concluded on natural gas markets in 2018 totalled 143,305,606 MWh, which means a YoY increase by 3.4 per cent and is the best result ever in the history of trading at TGE. On the Day Ahead and Intraday Market for gas (DAM&IDMg) the volume was 23,672,199 MWh going down by 1.3 per cent against the 2017 level. On the DAMg, the volume was 17,599,948 MWh (decrease by 8.6 per cent), and on the IDMg 6,072,251 MWh (increase by 28.5 per cent). The volume on the CFIM increased by 4.3% as compared to the record-breaking year 2017, to the level of 119,633,407 MWh.

In December, the natural gas trade volume totalled 11,499,247 MWh, going down by 52.1 per cent comparing to December 2017. The trade on the CFIM constituted 8,945,087 MWh while the spot market accounted for 2,142,400 MWh.

¹ **Towarowa Gielda Energii S.A. (TGE)** it is the Nominated Electricity Market Operator (NEMO) for the Polish pricing area and the only licensed commodity exchange in Poland, holding a licence to operate a regulated market since March 2015. On 15 November 2017, TGE started operating as a full-rights PCR coordinating exchange and operator on the European MRC market. TGE is included on the ACER's list of platforms for reporting transaction information according to REMIo9T requirements. TGE guarantees the reliability and security of trading on all markets it operates. Since March 2012, TGE has been a member of the Warsaw Stock Exchange Group.

In 2018, the weighted average price on the DAM&IDMg was 106.02 PLN/MWh, i.e. was higher by 22.36 PLN/MWh than in 2017. The December price fell down MoM by 0.82 PLN/MWh reaching 111.65 PLN/MWh. Meanwhile, the weighted average price of the contract with delivery in 2019 (GAS_BASE_Y-19) went up to 106.28 PLN/MWh in 2018, i.e. was higher by 24.49 PLN/MWh than the corresponding price from the quotations of the GAS_BASE_Y-18 contract in the year 2017. In December, the corresponding price of GAS_BASE_Y-19 was 106.37 PLN/MWh, i.e. was higher by 1.07 PLN/MWh than in November.

Property Rights

The volume of electricity property rights traded in the last year totalled 59,302,830 MWh. This means an increase by 0.4 per cent comparing to the 2017 result. In December, the volume totalled 3,683,204 MWh, up by 29.0 per cent comparing to December 2017. The 2018 volume for green certificates alone (PMOZE and PMOZE_A instruments on the Property Rights Market) stood at 30,051,917 MWh, which means that it was lower by 4,024 MWh (0.01 per cent) than in 2017.

In 2018, the weighted average price for the PMOZE_A instrument traded during the PRM sessions was 103.82 PLN/MWh, i.e. was higher by 64.99 PLN/MWh comparing to the 2017 level. In December, the price dropped down against the November level by 3.21 PLN/MWh, to 153.07 PLN/MWh.

In 2018, the trade volume for property rights related to energy efficiency totalled 330,017 toe, which means a decrease by 17.5 per cent year-on-year. In December, the volume decreased by 45.2% YoY to 30,530 toe. The December volume for the PMEF instrument alone was 20,145 toe, with the weighted average session price of 321.91 PLN/toe (down by 76.06 PLN/toe comparing to November).

Guarantees of Origin Register

Transactions in the Register of Guarantees of Origin concluded in the entire 2018 amounted to 16,848,979 MWh, which is the best result in the history of the Register and a more than 6-fold YoY increase.

In December 2018, the transaction volume amounted to 4,188,501 MWh and the weighted average price was 0.51 PLN/MWh.

Steam coal

The steam coal price index PSCMI 1, based on the ex-works pricing data for supplied by the Industrial Development Agency (ARP) for utility and industrial power generation sector at the end of November 2018 stood at 250.78 PLN/t, which represents an increase by 3.0 per cent comparing to October, while the price per 1 GJ of energy went up by 0.4 per cent to 11.33 PLN/GJ. Meanwhile, the PSCMI 2 index which reflects prices for industrial and municipal CHP plants decreased by 2.5 per cent in the same period and was 297.24 PLN/t. The index value per unit of energy decreased by 1.6 per cent reaching 12.42 PLN/GJ.

The change of monthly indices as compared to November of the previous year was 39.37 PLN/t for PSCMI 1 (increase by 18.6 per cent) and 40.59 PLN/t (increase by 15.8 per cent) for PSCMI 2. The price per 1 GJ increased YoY, respectively, by 1.76 PLN/GJ (18.4 per cent) and 1.80 PLN/GJ (16.9 per cent).

New participants

At the end of December 2018, 77 companies enjoyed the status of the member of the Commodity Market (CM). As at 31 December 2018, the Certificate of Origin Register maintained by TGE had 3,705 members with 10 of them joining in the month of December.

There are 438 entities registered as the members of the Guarantees of Origin Register.

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Enclosure to the press release

Electricity	Monthly volume (MWh)	Volume (MWh) in previous month	Monthly volume (MWh) in previous year
Total	15,443,219	22,565,763	13,321,363
IDM	2,542	4,475	5,909
DAM	2,705,589	2,514,138	2,524,702
CFIM	12,735,089	20,047,150	10,790,751

Natural gas	Monthly volume (MWh)	Volume (MWh) in previous month	Monthly volume (MWh) in previous year
Total	11,499,247	13,398,188	7,562,098
IDMg	495,008	725,667	493,408
DAMg	2,059,152	2,009,016	1,648,992
CFIM	8,945,087	10,663,505	5,419,698

Property Rights for electricity	Monthly volume (MWh)	Volume (MWh) in previous month	Monthly volume (MWh) in previous year
Total	3,683,204	2,846,387	5,188,830
green certificates	2,288,989	2,101,762	3,985,800
PRM sessions	884,185	1,337,570	1,045,638
OTC	1,404,804	764,191	2,932,161
CFIM	-	-	8,000
blue certificates	48,854	40,223	52,087
PRM sessions	43,683	30,100	34,065
OTC	5,171	10,123	18,022
yellow certificates	554,151	494,744	425,737
PRM sessions	152,381	195,850	157,350
OTC	401,770	298,894	268,387
red certificates	771,566	194,753	714,281
PRM sessions	272,495	162,119	255,554
OTC	499,072	32,635	458,727
purple certificates	19,643	14,905	10,925
PRM sessions	19,643	14,905	10,925
OTC	0	0	0

Property Rights for energy efficiency	Monthly volume (toe)	Volume (toe) in previous month	Monthly volume (toe) in previous year
Total (white certificates)	30,530	16,271	55,671
PRM sessions	18,918	14,970	36,128
OTC	11,612	1,301	19,544

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