

A good start to year 2023 at Towarowa Giełda Energii (TGE)

Press Release

- **TGE welcomed the new year with increases on the electricity spot market and the first transaction on the Property Rights Forward Market.**
- **TGE has been active abroad over the last 13 years, participating in a number of international initiatives concerning the integration of the European electricity market.**

In the beginning of year 2023, TGE saw record-high volumes on the electricity spot market. The combined volume of transactions concluded on the Day-Ahead Market and Intraday Market totalled 6,180,676 MWh, which represents an increase by as much as 79,9 per cent comparing to the level in December 2022 when the previous record was set.

"Last year was a very challenging time for everyone, which was reflected in the behaviour of market players. This makes it all the more encouraging that the beginning of this year has brought about such good performance, and that the electricity spot market in Warsaw is doing really well. It also proves that, despite the tense geopolitical situation and recent legislative changes having a significant impact on the operation of the exchange market, TGE is committed to growth and cooperation with its members, while invariably creating safe and transparent trading conditions" says Piotr Listwoń, Vice-President of the Management Board for Operations.

The TGE's electricity spot market operates as part of the European electricity market. In 2010, a direct-current connection was established between Poland and Sweden via a market coupling mechanism, followed by a link with Lithuania 5 years later. In December 2015, TGE became the Nominated Electricity Market Operator (NEMO) for the Polish bidding zone, which involves the task of ensuring the proper functioning of the common electricity market on the Continent. In addition, the exchange participates in the European Day-Ahead Market (SDAC) launched on 15 November 2017, and, starting from November 2019, in the cross-border Intraday Market (SIDC). As part of both of these initiatives, two further projects went live in the past year to complete the above integration process, i.e. Core Flow-Based Market Coupling under SDAC and Implementation Wave 4 of SIDC.

January 2023 also brought about breakthrough on the Property Rights Forward Market which operates as part of the Organised Trading Platform (OTF) which went live in May 2020 in response to the need to bring the Exchange's regulations and trading in line with MiFID2. Previously, trading in similar forward instruments, though under a different regulatory environment, had been taking place in 2016-2017 on the Commodity Forward Instruments Market (CFIM). This means that, before 5 January 2023, the most recent transactions in similar forward instruments had been concluded in December 2017 on the CFIM. On 5 January 2023, the first transaction, with delivery in May 2024, was concluded (instrument F-OZE 05-24) for a volume of 1,000 MWh (one forward contract), at a price of 205.00 PLN/MWh.

¹ **Towarowa Giełda Energii S.A. (TGE)** is the only licensed commodity exchange in Poland, holding a licence to operate a regulated market since March 2015. The Exchange is the Nominated Electricity Market Operator (NEMO) for the Polish bidding zone. Since 15 November 2017, TGE has been active on the European Day-Ahead Market SDAC. On 19 November 2019, the Exchange launched its cross-border SIDC Intraday Market based on the XBID model. TGE is included on the ACER's list of platforms for reporting transaction information according to REMIT requirements. Since March 2012, TGE has been a member of the Warsaw Stock Exchange Group.