

EPEX SPOT Annual Market Review 2018

Traded volumes soar to an all-time high in 2018

- **XBID launched across 14 countries – shared success by all involved project parties**
- **Irish Power Spot Market started**
- **Split of the German-Austrian bidding zone implemented smoothly**

Amsterdam / Bern / Brussels / Leipzig / London / Paris / Vienna, 10 January 2019.

A total volume of 567,3 TWh was traded on EPEX SPOT's markets in 2018. This represents an all-time high of annual traded volumes and breaks the record set in 2015, when 566 TWh were traded in one year.

The year was marked by the implementation of large-scale regulatory projects such as XBID and the introduction of congestion management at the German-Austrian border. "The efforts that our teams put into these projects were remarkable, and we can be proud of what we have achieved. The traded volumes on our markets show that we were able to not only deliver these complex projects but keep up our high operational standards at the same time" says Jonas Törnquist, Chief Operating Officer of the Exchange.

Further highlights in 2018 were partnerships on an international scale. Together with ECC, EPEX SPOT contributed to [setting up the Integrated Electricity Market in Ireland](#) and Northern Ireland. Ralph Danielski, Chief Executive Officer of EPEX SPOT, comments: "Along the partnership with [National Grid ESO to launch a frequency response auction trial](#) in Great Britain, we were able to strengthen our position with partners from across the channel. This also reflects our support of the European idea which EPEX SPOT has embodied and fostered since its inception".

Projects and New Products

Two system migrations were completed successfully in 2018: Auction trading in Great Britain (GB) was migrated from the previous trading system Eurolight to the EPEX trading System (ETS) in April. The continuous markets of GB followed in November and were migrated to the M7 system. All eight EPEX SPOT Day-Ahead and Intraday markets have been accessible through one respective trading screen ever since. New products were launched, notably in the Intraday timeframe, responding to a growing need for flexibility in power trading. In July the Exchange introduced blocks within the German 15-minute auction as well as 15-minute continuous trading in Belgium and The Netherlands. In October two new Intraday auctions were launched on the GB market, both coupled with Ireland. In the Day-Ahead timeframe curtailable and loop blocks were introduced in December, allowing market participants to tailor their block portfolio more closely to the need of their production assets.

Three large scale European projects defined the year 2018. The European Cross-Border Intraday solution XBID went live on 13th June, after several years of complex and intensive development and testing. XBID was launched in 14 countries, with over 20 project parties involved. EPEX SPOT furthermore implemented the so-called split of the Germany-Luxembourg-Austria bidding zone on 30 September 2018. Two separate market areas with two respective spot power price indices have been established. In addition to this, EPEX SPOT and ECC completed their mission to support the Irish power exchange SEMOpX in setting up a Day-Ahead and Intraday market in Ireland and Northern Ireland, including clearing and settlement.

In line with the previous year, lead-time reductions were implemented by EPEX SPOT and ECC. In continuous Intraday trading, lead-time refers to the time lapse between the execution of a trade and the moment of delivery. The lead-time for local Austrian and French contracts was reduced from previously 30 minutes to five minutes before delivery, for local Swiss contracts from 60 minutes to 30 minutes.

Partnerships on an international scale continued to define the year 2018 for the European Power Exchange. In February, EPEX SPOT signed a penta-lateral agreement foreseeing the creation of a cross-regional power exchange in the Central and South Eastern European region. Within this partnership, the spot power businesses of HUPX, the Hungarian Power Exchange, and SEEPEX, the South East European Power Exchange, shall be merged to create a new player in the region. EPEX SPOT as well as the Transmission System Operators EMS and MAVIR would act as founding shareholders. The Exchange furthermore signed a partnership with EWE AG to create a local market platform to relieve grid congestions in the framework of the enera project – more news to follow in 2019. Together with National Grid ESO, EPEX SPOT committed to developing and operating a platform which will host a brand-new firm frequency response auction trial in Great Britain in 2019. The Exchange also brought the existing partnership with LO3 Energy to a new level by agreeing to a

cooperation on the Exergy network. Exergy is a global blockchain data exchange and warehouse initiated by LO3 Energy, which aims at standardizing and monetizing energy data. EPEX SPOT will take up an advisory role in the project, contributing its expertise in data management, paving the path towards an energy system in which all activity is based on price signals.

Market Volumes

A total of 567,332,323 MWh was traded on EPEX SPOT in 2018. The traded volumes on the Intraday market reached an all-time high again, beating the 2017 record by 16.0%, with 82,344,972 MWh traded.

The **German/Austrian/Luxemburg** power markets have seen major changes in their set up, due to the split of the common bidding zone into two separate zones. The Day-Ahead volumes remained stable with the smooth implementation of the split. The German Intraday market displays a healthy growth rate of 13.3%, driven by strong growth in both hourly and sub-hourly products. The **Austrian** market reached a total of 12,3 TWh traded since 1 October 2018.

In **France**, power trading volumes reached an all-time high of 120 TWh, breaking the record of 2016 (115 TWh). The French Day-Ahead as well as Intraday timeframe display healthy growth of 7.6% and 42.4% respectively.

Traded volumes on the **GB** market surpassed the volume of the previous year by 4.8% reaching a total of 68.8 TWh traded across markets. The slight decline in Day-Ahead volumes was offset by growing volumes on the Intraday markets, which reached 19.0 TWh.

After a slight decrease in **The Netherlands** in 2017, traded volumes grew by 14.1% in 2018 and reached a total of 39.5 TWh.

In **Switzerland**, short-term power markets reached 24.8 TWh. The slight growth on the Day-Ahead market was not able to offset the decline in Intraday trading that has been registered since XBID go-live in June 2018.

The **Belgian** market continued its growth path with a total of 27.1 TWh traded. This represents a year-on-year growth of 42.7%.

More details on volumes and prices can be found in the attached market report at the end of the press release.

Membership

289 members were active on the Exchange in 2018, with 21 new members registered.

- ENDS

The European Power Exchange EPEX SPOT SE and its affiliates operate physical short-term electricity markets in Central Western Europe and the United Kingdom. As part of EEX Group, a group of companies serving international commodity markets, EPEX SPOT is committed to the creation of a pan-European power market. In 2018, its 289 members traded 567 TWh – a third of the domestic consumption in the eight countries covered. 49% of its equity is held by HGRT, a holding of transmission system operators. For more information, please visit www.epexspot.com.

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EPEX SPOT – Yearly Figures Report 2018

Volumes

Power Spot Volumes	2018 volume MWh	2017 volume – previous year MWh
Total	567,332,323	534,671,647
Day-Ahead	484,987,351	463,660,924
Day-Ahead DE-AT-LU total*	234,547,987	233,156,072
- Day-Ahead AT*	9,918,105	0
- Day-Ahead DE-LU*	55,498,741	0
- Day-Ahead DE-AT-LU*	169,131,141	233,156,072
Day-Ahead BE	25,930,653	17,883,620
Day-Ahead CH	23,590,331	23,328,690
Day-Ahead FR	113,757,856	105,693,244
Day-Ahead GB total	49,783,175	50,494,272
- Day-Ahead auction	45,842,838	47,101,348
- Half-Hour 15:30 auction	3,940,337	3,392,924
Day-Ahead NL	37,377,349	33,105,026
Intraday	82,344,972	71,010,723
Intraday AT total	2,387,301	2,396,832
- 60-min continuous AT	2,115,583	2,146,806
- 15-min continuous AT	271,718	250,026
Intraday BE total	1,130,361	1,079,652
- 60-min continuous	1,130,067	1,079,652
- 15-min continuous**	294	0
Intraday CH total	1,245,021	2,074,146
- 60-min continuous	1,199,399	1,996,791
- 30-min continuous***	2,154	1,193
- 15-min continuous	43,468	76,162
Intraday DE total	50,392,591	44,481,867
- 60-min continuous DE	37,836,858	34,615,897
- 30-min continuous DE***	85,498	42,363
- 15-min continuous DE	5,672,759	4,600,866
- 15-min 15:00 auction DE	6,797,476	5,222,741

Intraday FR total	5,912,905	4,151,911
- 60-min continuous	5,821,780	4,097,029
- 30-min continuous***	91,125	54,882
Intraday GB total	19,027,907	15,190,834
- 30-min continuous	18,902,402	15,190,834
- 30-min 17:30 auction****	72,526	0
- 30-min 8:00 auction****	52,979	0
Intraday NL total	2,100,913	1,483,123
- 60-min continuous	2,100,672	1,483,123
- 15-min continuous**	241	0
OTC Registration	147,973	152,358

* The bidding zone DE-AT-LU was split into two zones, DE-LU and AT on 1 October 2018

**Segment launched on 10 July 2018

***Segment launched in March 2017

****Segment launched on 30 September 2018

Prices and Indices

	Price – monthly average (Base / Peak*) Price/MWh
Day-Ahead AT – PHELIX AT**	€59.92 / €71.27
Day-Ahead BE	€55.27 / €64.84
Day-Ahead CH – SWISSIX	€52.22 / €59.48
Day-Ahead DE-AT-LU – PHELIX***	€41.73 / €48.14
Day-Ahead DE-LU – PHELIX DE**	€52.60 / €63.87
Day-Ahead FR	€50.20 / €59.09
Day-Ahead GB	£57.44 / £61.97
Day-Ahead GB Half-Hour	£57.48 / £62.10
Day-Ahead NL	€52.53 / €60.27
European Electricity Index – ELIX****	€40.90 / €49.86
Intraday 60-minute continuous AT	€58.93 / €69.79
Intraday 15-minute continuous AT	€57.83 / €68.50
Intraday 60-minute continuous BE	€56.40 / €66.90
Intraday 15-minute continuous BE	€66.03 / €78.36
Intraday 60-minute continuous CH	€52.03 / €60.06
Intraday 30-minute continuous CH	€52.03 / €60.07
Intraday 60-minute continuous DE	€44.60 / €52.73
Intraday 30-minute continuous DE	€44.74 / €52.98
Intraday 15-minute continuous DE	€44.26 / €52.27
Intraday 15-minute 15:00 auction DE	€44.17 / €52.09
Intraday 60-minute continuous FR	€50.94 / €60.50

Intraday 30-minute continuous FR	€50.78 / €60.29
Intraday continuous GB (RPD)	£56.89 / £60.62
Intraday 30-min 17:30 auction GB	£62.91 / £69.03
Intraday 30-min 8:00 auction GB	£67.45*****
Intraday 60-minute continuous NL	€53.10 / €62.73
Intraday 15-minute continuous NL	€59.79 / €69.38

* Peak excl. weekend

** Calculated between October and December 2018, as bidding zone DE-AT-LU was split on 1 October 2018

*** Calculated between January and September 2018, as bidding zone DE-AT-LU was split on 1 October 2018

**** Calculated on the orders of DE/AT/LU, FR & CH under the assumption of unlimited transmission capacity between the markets

*****Price based on afternoon hours only