



## COURSE PROGRAMME

Thursday, 25 November 2021 – 10:30-16:00 (CET)  
Friday, 26 November 2021 – 10:00-16:00 (CET)

### **Level A: Overview Course**

*The Council of European Energy Regulators (CEER), in collaboration with the European Federation of Energy Traders (EFET), is organising a unique online course on “European Wholesale Electricity and Gas Market Trading” on 25-26 November 2021. This year's edition will again cover both electricity and gas trading, and will offer special trading simulation sessions.*

*This course is ideally suited for staff of National Regulatory Authorities (NRAs), but representatives from other organisations are also welcome to join. Experts from National Regulatory Authorities who register for this course will be granted free access to the EFET online Energy Markets Training Programme.*

*The course seeks to enhance the understanding of NRA staff about how energy trading is conducted and their knowledge of how traders handle their risks and opportunities by means of periodic transactions in the electricity and gas markets. One of the potential benefits of attending this course is that it may help NRA staff to better carry out their monitoring and surveillance of wholesale energy markets at national, regional and European level. Trainers will explain key aspects of trading in the wholesale electricity and gas markets based on their own operational, commercial and professional experience (rather than from an academic point of view). The trainers of this course include senior and high-level experts from EFET and their member companies as well as an experienced trainer in trading simulations.*

*After a brief historical recap of the liberalisation of the European energy sector, attendees will be provided with a clear understanding of trading in different timeframes in the wholesale electricity market and price formation. It will be followed by a session discussing trading the green attributes of renewable and low carbon gases in the context of sector coupling. An overview of trading in the wholesale gas market will also be provided, including short term trading and challenges of developing a hydrogen market. In addition, the course will focus on explaining the overall management of various types of risk in an energy trading business and the EU market supervision regulatory regime. Finally, participants will have the opportunity to participate in trading simulations which provide the ideal learning effect by means of practical application of the theoretical knowledge in energy trading.*

**DAY 1**  
**Thursday, 25 November 2021**  
**10:30-16:00 (CET)**

**WELCOME AND INTRODUCTION**

**10:30-10:35 Opening remarks, introduction of the course and the online format**

Mark Copley | CEO, EFET  
Silke Huber | Training Manager, CEER

**SESSION 1 A BRIEF HISTORY OF THE LIBERALISATION OF THE EUROPEAN ENERGY SECTOR**

**10:35-11:00 A brief history of the liberalisation of the European energy sector**

- a) Third party access to transmission networks
- b) *Ex post* anti-trust controls
- c) Unbundling
- d) *Ex ante* regulation
- e) The evolution of wholesale supply businesses
- f) The evolution of cross border trading

Mark Copley | CEO, EFET

**SESSION 2 TRADING IN THE WHOLESALE ELECTRICITY MARKET**

**11:00-12:00 Trading in shorter timeframes**

- a) Trading in shorter timeframes: day-ahead and intra-day
- b) Short term price formation, exchange trading venues and broker platforms
- c) Day-ahead Market Coupling (DAMC) and Pan-European Cross-Border Intra-Day Continuous Trading Platform (XBID)
- d) Balancing services provided by market participants
- e) Treatment of imbalances and short-term congestion management

Jérôme Le Page | Board Member and Chair of the Electricity Committee, EFET

**12:00-13:00 Lunch Break**

**13:00-13:40 Trading in the forward timeframe**

- a) Trading in the forward timeframe: month, quarter and year[s] ahead
- b) Longer term price formation and the forward price signal
- c) Physical forwards and options, futures as exchange traded derivatives
- d) Forward transmission capacity allocation

Hélène Robaye | Head of Regulation and Market Design, ENGIE Global Energy Management

### **SESSION 3 TRADING IN CARBON OFFSETS AND GREEN ATTRIBUTES OF ENERGY CARRIERS**

**13:40-14:20 Trading on the EU ETS and the green attributes of renewable electricity, renewable and low carbon gases**

- a) Trading on the EU Emissions Trading System: how and why
- b) Market perspective on designing a Guarantees of Origin system for gases
- c) Cross-sectoral flexibility and coupling
- d) Sector coupling and the role of green gases
- e) Optional mandatory quota and certificate schemes

Mariló García Rodríguez | Deputy Director European Union Regulation, Endesa

**14:20-14:30 Break**

### **SESSION 4 TRADING IN THE WHOLESALE GAS MARKET**

**14:30-15:10 Trading in the wholesale gas market**

- a) Types of traders
- b) Trading strategy and compliance
- c) What lies behind the trader
- d) Information availability and use
- e) Liquid vs illiquid markets
- f) Stranding, accelerated depreciation, out-of-the-money capacity contracts

Jan Mezera | Head of Gas Trading, ČEZ

**15:10-15:50 Challenges of developing a hydrogen market**

- a) A role for hydrogen in the future and potential links to the ETS
- b) Market dynamics
- c) Market perspective on designing a hydrogen market

Doug Wood | Board Member and Chair of the Gas Committee, EFET

**15:50-16:00 Wrap up of Day 1**

Mike Bostan | Coordinator Training and Education Programmes, EFET  
Silke Huber | Training Manager, CEER

**DAY 2**  
**Friday, 26 November 2021**  
**10:00-16:00 (CET)**

**SESSION 5 OVERALL RISK MANAGEMENT IN AN ENERGY TRADING BUSINESS**

**10:00-10:40 Overall risk management in an energy trading business**

- a) Electricity
- b) Cross-commodity
- c) Carbon allowances
- d) Interest rates, FX and other financial instruments
- e) Counterparties
- f) Credit, collateral and clearing

Klaus Prommersberger | Head of Risk Management Trading Regulation, Axpo

**10:40-11:20 Market supervision: the impact on traders of REMIT and financial sector regulation**

- a) Reporting (REMIT, EMIR);
- b) Position limits (MiFID, EMIR);
- c) Clearing obligations (EMIR);
- d) Risk mitigation requirements (EMIR);
- e) Insider lists, suspicious transaction reports (STORs), managers' transaction duties (MAR, MAD II).

Anya Bissessur | Senior Advisor Regulatory Affairs and Compliance, Statkraft Energi AS

**11:20-11:30 Break**

**SESSION 6 TRADING SIMULATIONS**

**11:30-12:30 Trading simulations – Part I: Auction processes**

- a) Simulation A: The daily power auction
  - o Attention given to: the process, strategies of market participants and the possibility of market manipulation
- b) Simulation B: The opening rotation at the start of a continuously traded market
- c) Simulation C: Periodic transport capacity auction
- d) Break-out rooms

Moderator: Jerry de Leeuw | Entrima

**12:30-13:30 Lunch Break**

**13:30-14:45 Trading simulations – Part II: The importance of connectivity and data management**

- a) Simulation D: Proprietary trading – Outright speculation
  - o Attention given to: Price volatility, market liquidity
- b) Simulation E: Forwards and futures
  - o Attention given to: Trayport
- c) Break-out rooms

Moderator: Jerry de Leeuw | Entrima

**14:45-15:00 Break**

**15:00-15:45 Trading simulations – Part III: Asset-backed trading**

- a) Simulation F: Gas storage capacity
- d) Attention given to: Correlation coefficients

Moderator: Jerry de Leeuw | Entrima

**15:45-16:00 Wrap up of the course**

Mark Copley | CEO, EFET  
Silke Huber | Training Manager, CEER