



Evolução do Mercado Ibérico do Gás

AGN. Associação Portuguesa das Empresas de Gás Natural

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Presidente
26 Novembro 2019

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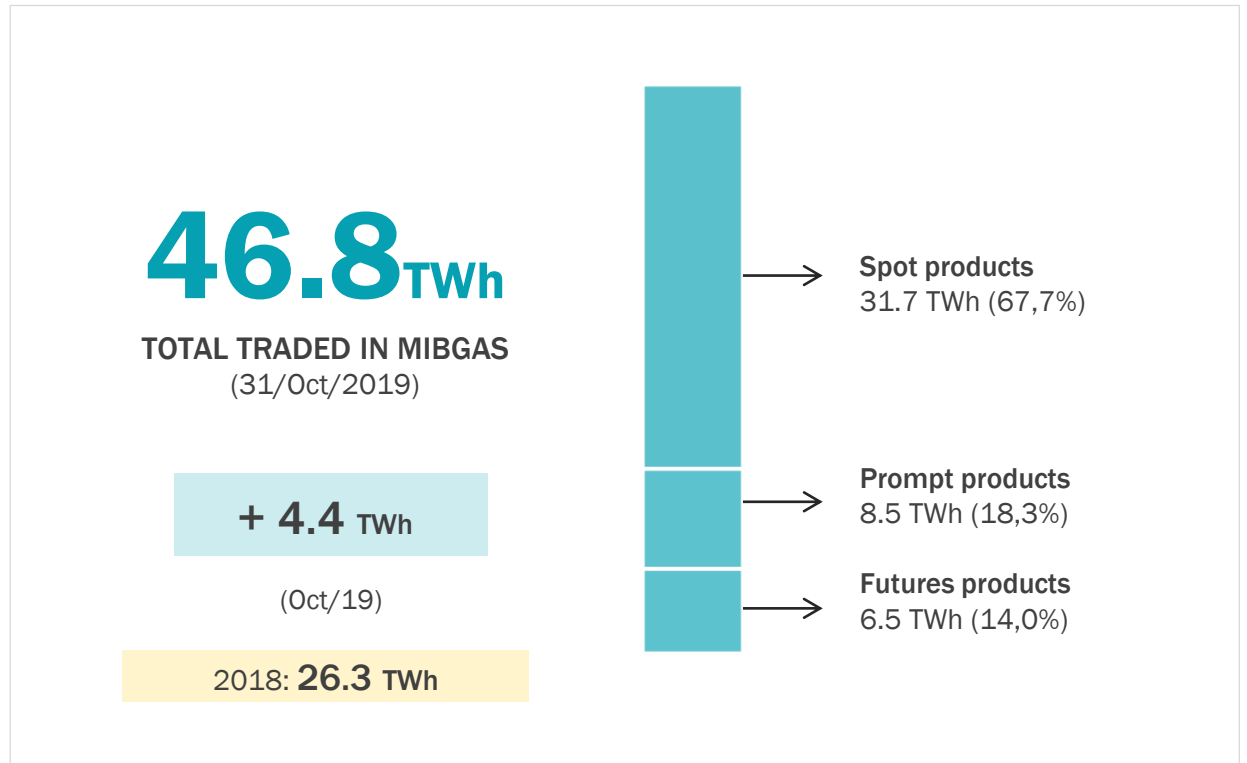
1. The evolution of the Iberian Gas Market.
2. The current situation about the Iberian market integration.
3. Conclusions.



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The evolution of the Iberian Gas Market

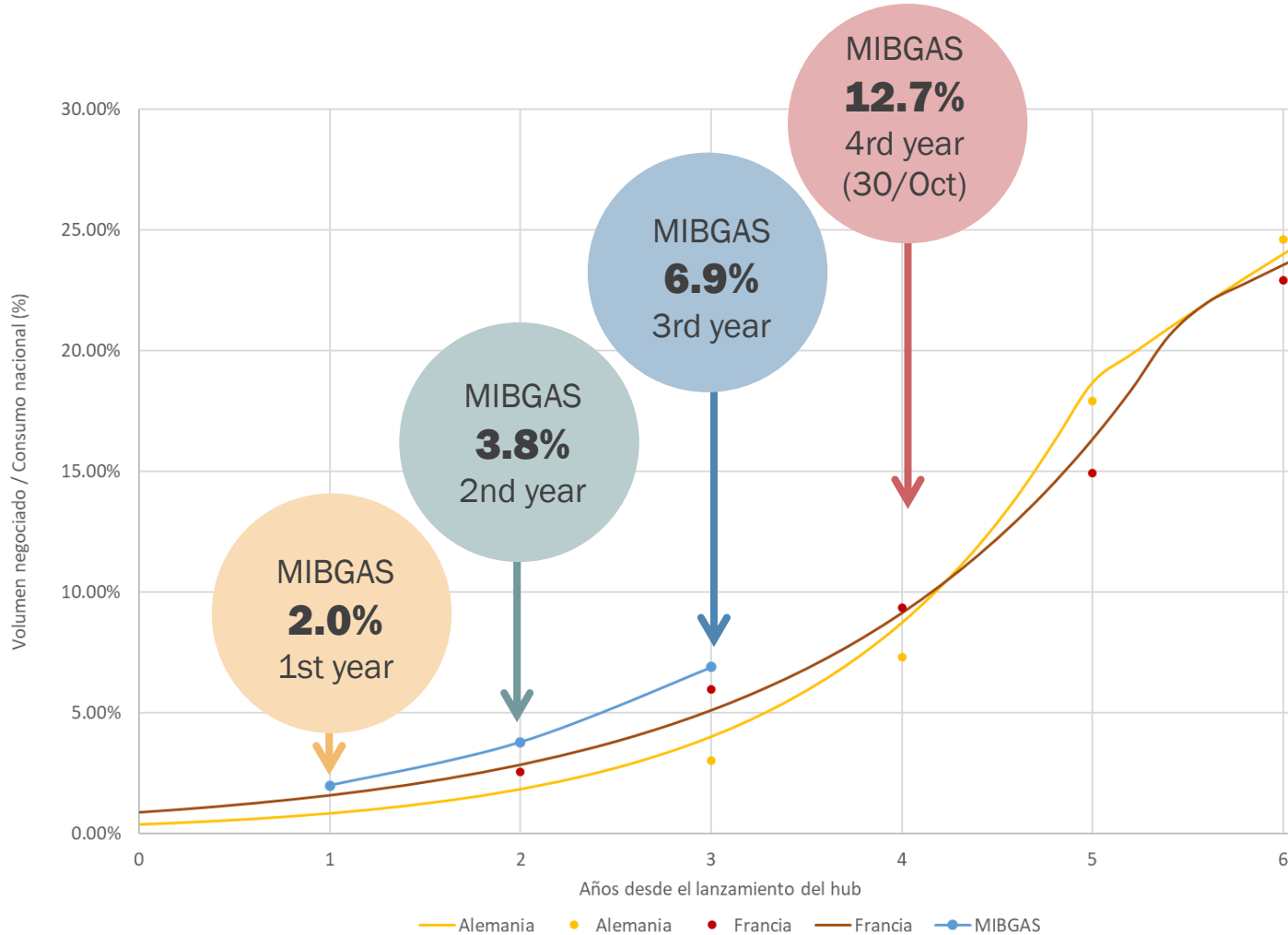
Trading volume in MIBGAS (until October)



Source: MIBGAS

IBERIAN GAS MARKET EVOLUTION

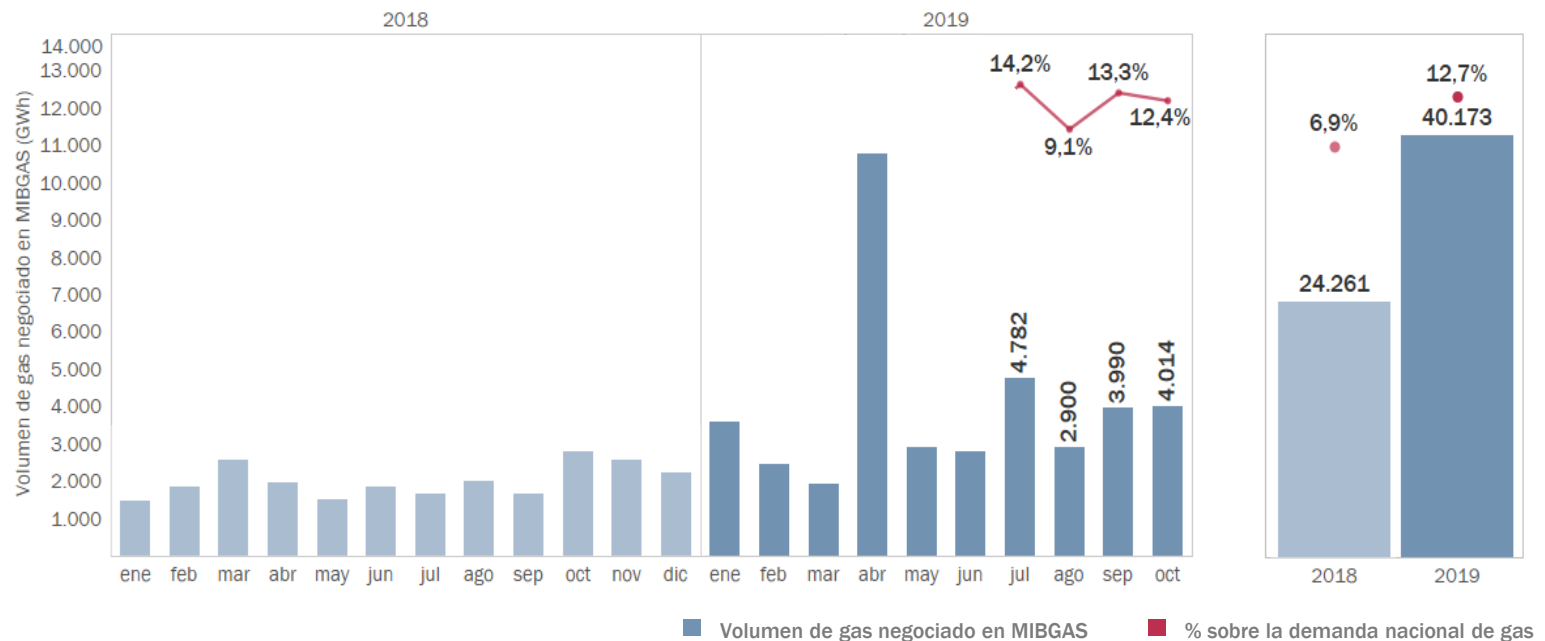
Compared evolution (volume traded vs % of zone demand)



IBERIAN GAS MARKET

DATA - TRADING

Gas volume traded in MIBGAS (GWh) and % of this volume on the national demand (01/Jan/18 – 31/Oct/19)

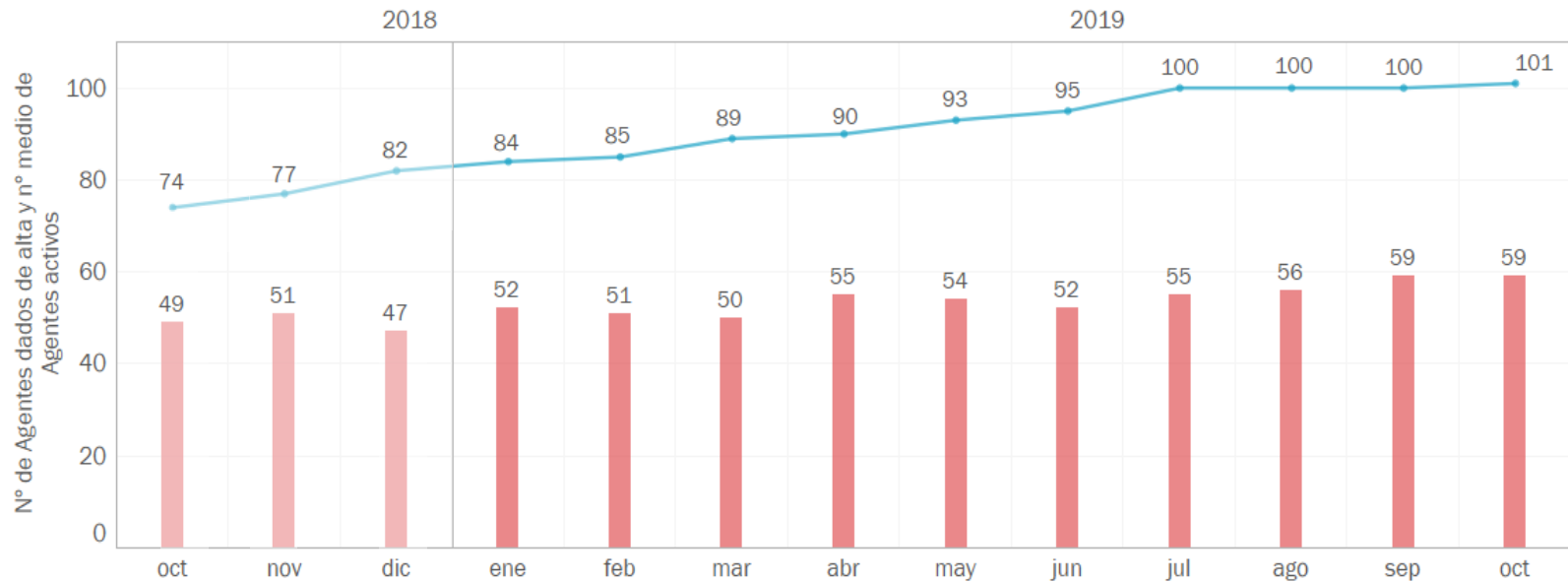


Source: MIBGAS, Enagás

IBERIAN GAS MARKET

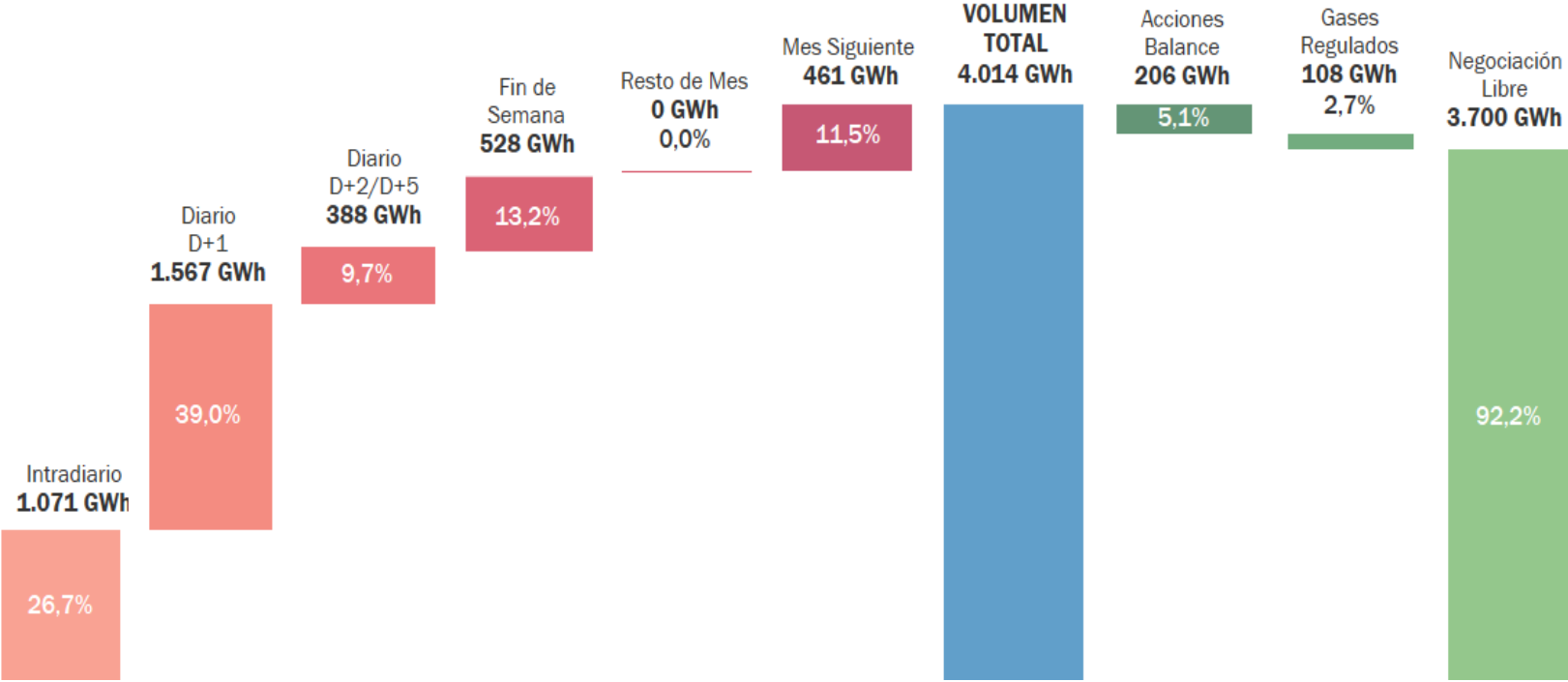
DATA - TRADING

Average daily number of Agents that participate in the market sending offers (1/Oct/18 - 31/Oct/19)



Fuente: MIBGAS

Gas volume traded (GWh) by product type (Oct/19)



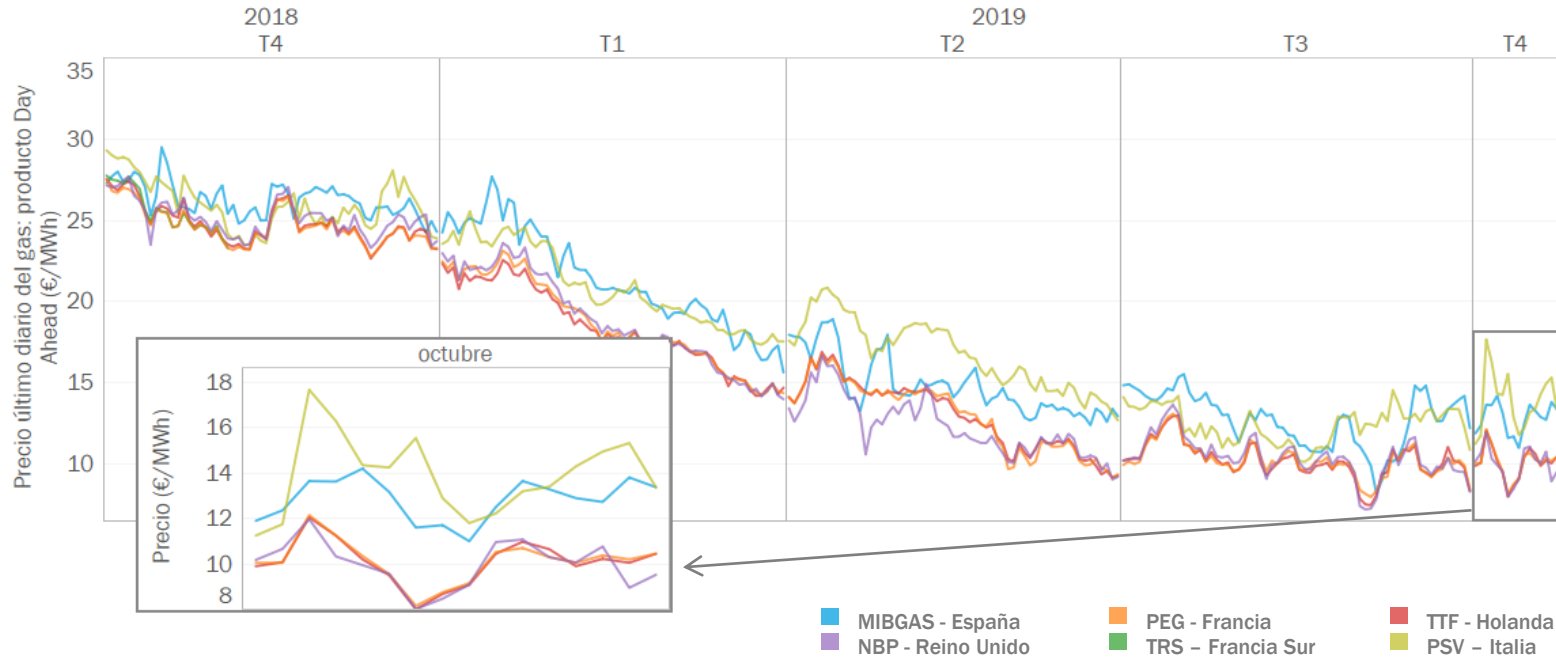
Fuente: MIBGAS

IBERIAN GAS MARKET

EUROPEAN MARKETS

European daily Price: Day-Ahead Product (€/MWh) (01/Oct/2018-22/Oct/2019)

The Day-Ahead Product corresponds to the product delivered on the next business day to its negotiation. Last Daily Prices.

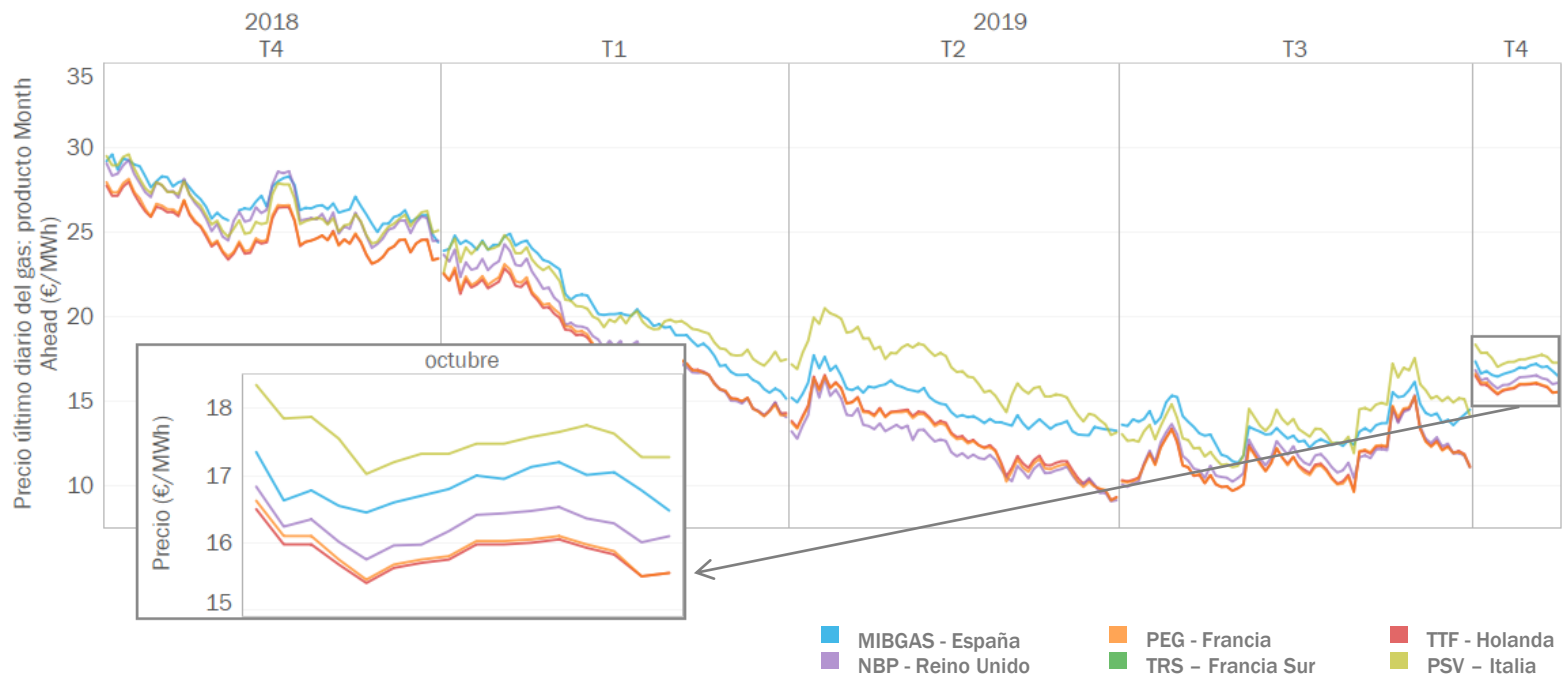


Weekends and bank holidays excluded
Source: MIBGAS and Eikon

IBERIAN GAS MARKET

European markets

European daily price: Month-Ahead product (€/MWh) (01/Oct/18 - 22/Oct/19)



Weekends and bank holidays excluded
Source: MIBGAS and Eikon

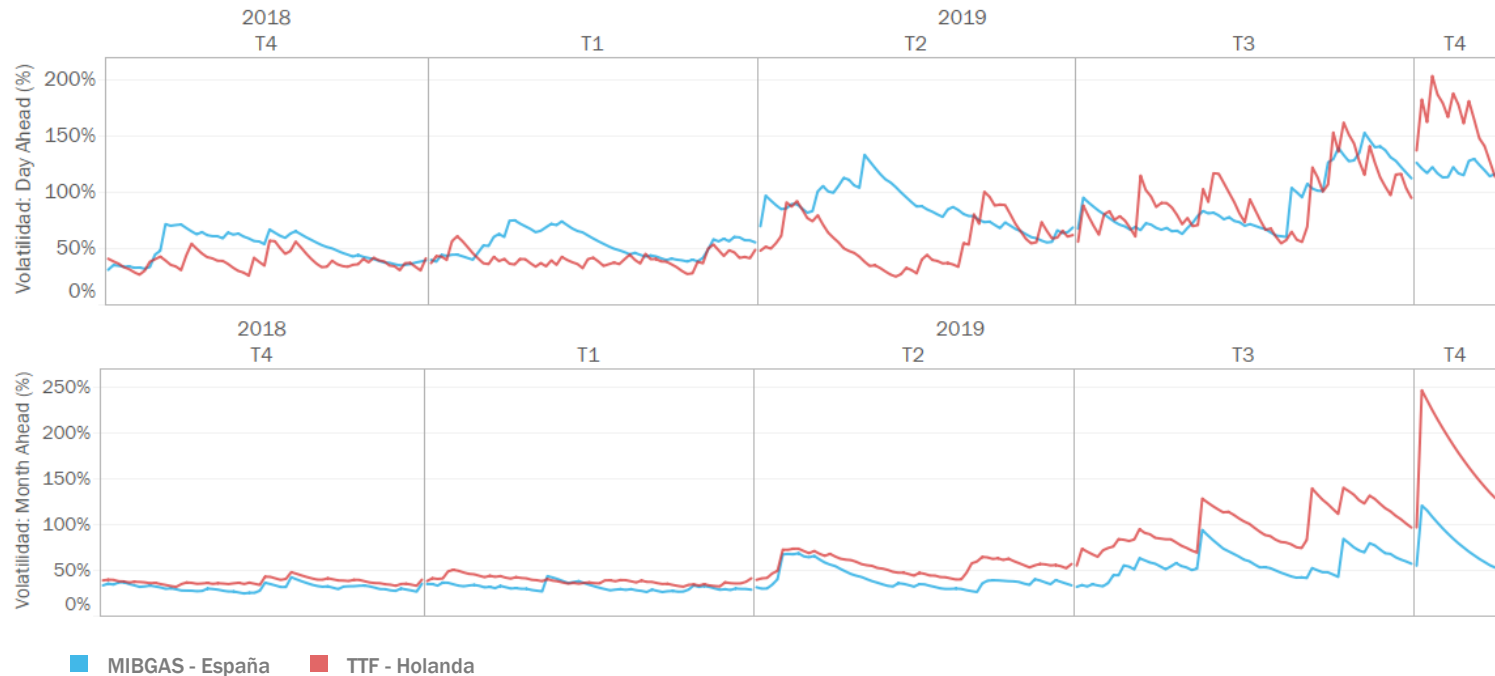
IBERIAN GAS MARKET

European markets

Price volatility (%) in the Day-Ahead and Month-Ahead Products, in MIBGAS and TTF
(01/Oct/19 – 22/Oct/19)

GARCH method

The Day-Ahead Product corresponds to the product delivered on the next business day to its negotiation. Last Daily Prices



Weekends and bank holidays excluded
Source: MIBGAS and Eikon



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The current situation about the
Iberian gas market integration

IBERIAN GAS MARKET

ACER Market Monitoring Report 2018

Figure i: Ranking of EU hubs based on monitoring results – 2018



■ Established hubs

- Broad liquidity
- Sizeable forward markets which contribute to supply hedging
- Price reference for other EU hubs and for long-term contracts indexation

■ Advanced hubs

- High liquidity
- More reliant comparatively on spot products
- Progress on supply hedging role but relatively lower liquidity levels of longer-term products

■ Emerging hubs

- Improving liquidity from a lower base taking advantage of enhanced interconnectivity and regulatory interventions
- High reliance on long-term contracts and bilateral deals

■ Illiquid-incipient hubs

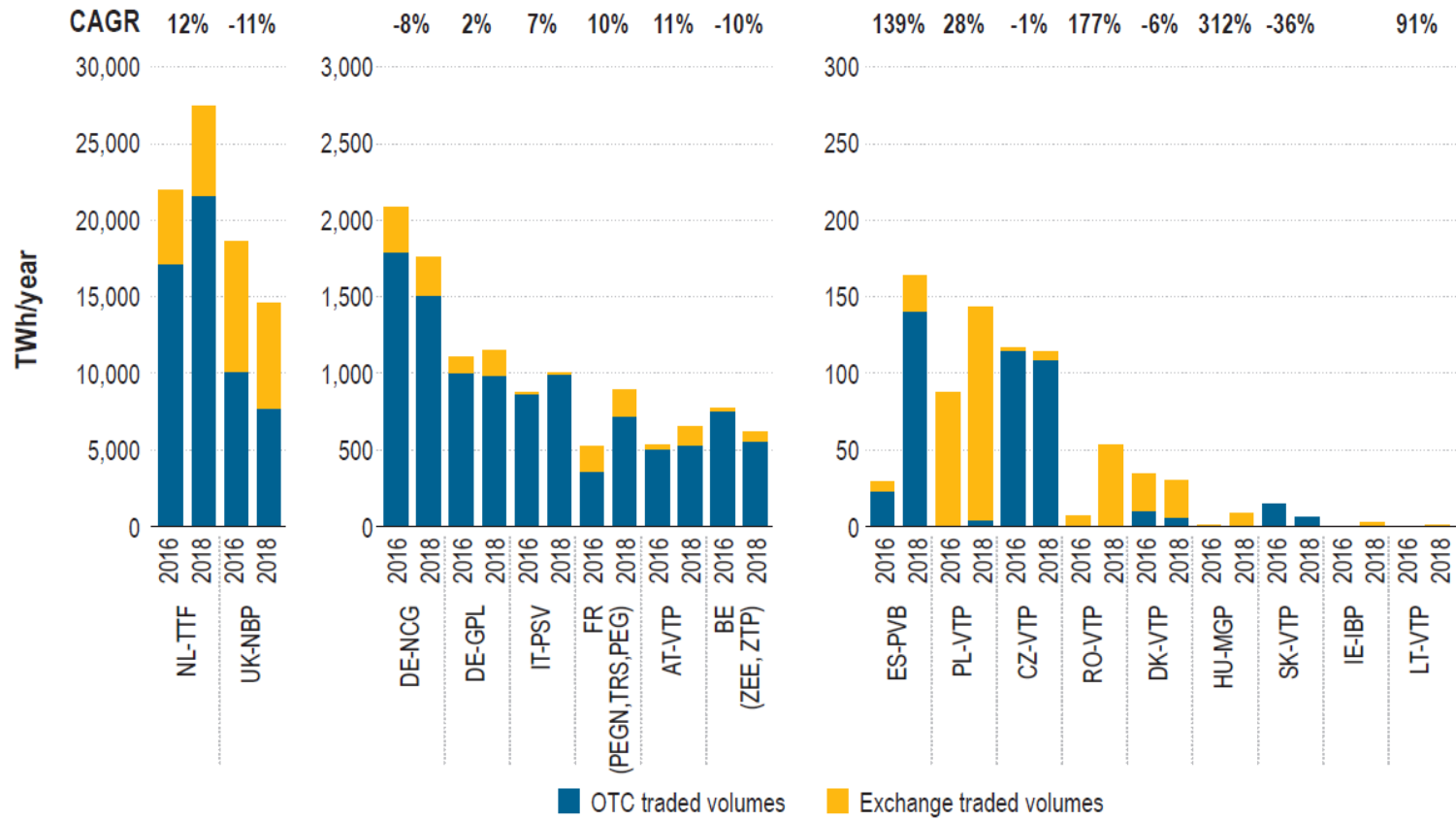
- Embryonic liquidity at a low level and mainly focused on spot
- Core reliance on long-term contracts and bilateral deals
- Diverse group with some jurisdictions having
 - organised markets in early stage
 - to develop entry-exit systems

Source: ACER calculation based on AGTM metric results.

IBERIAN GAS MARKET

ACER Market Monitoring Report 2018

Figure 15: Traded volumes at EU hubs (TWh/year and CAGR) – 2016 to 2018 (three scales)



Source: ACER calculation based on REMIT data, Trayport and hub operators.

Roadmap proposed by MIBGAS

1. Proposal of Market Rules for the Portuguese polo.
2. Approval of Market Rules by the Spanish Ministry.
3. Approval of Market Rules by ERSE.
4. Memorandum of understanding on regulatory supervision.
5. MIBGAS-REN information exchange protocol.
6. Information exchange protocol concerning the allocation of the implicit interconnection capacity of the Iberian VIP.
7. Portuguese remuneration to MIBGAS.

Roadmap current situation

Market Rules.

1. Initial proposal made for market rules with implicit capacity allocation between ES and PT.
2. Feedback Received from agents: more than 40 comments.
3. New version made for simpler rules (no implicit capacity allocation). For VTP only.
4. Advantages: first step, greater simplicity, does not require great coordination, approval only by ERSE, market supervision by ERSE and CNMC (MoU) Regulators.
5. Next steps: implicit capacity allocated and/or cross-border fees reduction.

Roadmap current situation

MIBGAS-REN information Exchange protocol.

1. Working groups created:
 1. Information exchange.
 2. Operating procedures
 3. REN as technical system manager for balancing actions
2. First drafts made by MIBGAS
3. REN reviews in progress



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Conclusions

Conclusions

1. MIBGAS continues improving the liquidity and competitiveness of the Spanish gas market.
2. According to ACER (MMR 2018) MIBGAS has progressed from emerging to advanced hub.
3. It is time to extend this successful evolution from the Spanish PVB (Punto Virtual de Balance) to Portuguese VTP (Virtual Trading Point).
4. The road map compliance is the best approach to achieve it.



Thank you very much

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