

# **HOW TO BECOME A CEGH MEMBER and A VIRTUAL TRADER**

Version 1.5  
CEGH AB B-VHP

## **PREAMBLE**

Central European Gas Hub AG (CEGH) is one of the most important natural gas trading hubs in Central Europe and additionally provides exchange services in cooperation with Powernext S.A. (PWX) and the European Commodity Clearing AG (ECC).

CEGH aims to create the ideal logistical and commercial gas trading platform for its customers and moreover advises and supports them in their daily business at the hub trading points.

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# 1 FAQ

In the last few years, CEGH have received frequently asked questions regarding the requirements for becoming a member, framework conditions or operational issues. Therefore, we have summarized and answered all basic questions in this frequently asked questions part and have put them at the beginning of our information brochure to give you an overview.

**Nevertheless, please feel free to contact us directly if you have any more questions. Please find the contact information at the end of this document.**

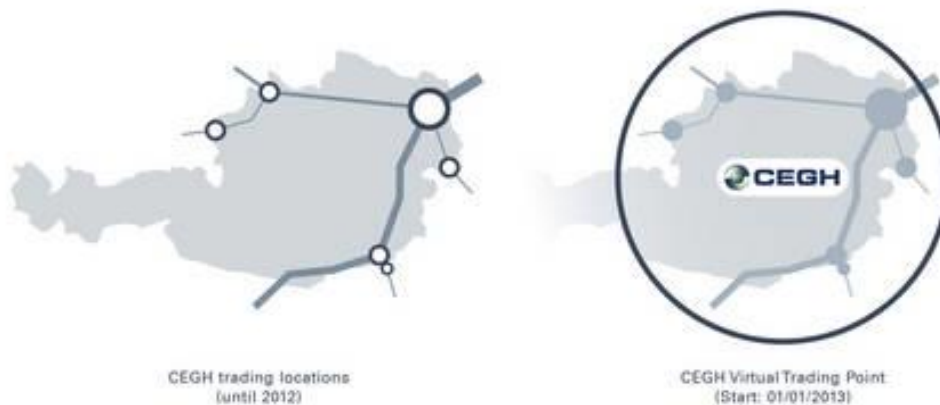
## 1.1 What do I have to do to start using a CEGH service for my company?

Before a company can use one of our services, the registration as member of our hub must be completed. The requirements and the whole registration process for the CEGH OTC market is described in chapter **BASIC REGISTRATION CEGH OTC MARKET**.

**No services** can be booked without a membership.

## 1.2 What is the VTP?

The Virtual Trading Point (VTP) is a national point at which gas can be traded within the market area after injection and before offtake. The VTP is not a physical entry/exit point but enables grid users to transfer energy from one balancing group to another within the market area without the need to book capacity. Traders and grid users can sell and buy at the VTP without holding capacity rights.



## 1.3 What makes the difference between a Virtual Gas Trader and a Balance Group Responsible Party?

Due to the Austrian gas market model (Austrian Gas Act 2011), every market participant who wants to physically buy / sell / transport gas in Austria has to be either registered as a **Balance Group Responsible Party (BGRP)** or conclude a contract on a bilateral basis (between existing Balance Group Responsible Party and market participant) as a **Member of a Balance Group (MBG)**.

Each balance group is organized by one **Balance Group Responsible Party**.

The registration as Balance Group Responsible Party is conducted by the **Market Area Manager (MAM)** (i.e. **Austrian Gas Grid Management AG**; [www.aggm.at](http://www.aggm.at)). Please turn to the MAM to initiate the registration process.

Since the balancing in the Austrian gas market model is exchange based, each BGRP has to be a member (either passive or active) of the **PEGAS CEGH Gas Exchange** markets, **operated by Powernext S.A.**, and of the clearing-house **European Commodity Clearing**, Leipzig (ECC).

There are two types of Exchange membership:

- passive membership
  - enables the MAM to trade balancing energy on behalf and for account of the BGRP
  - no proprietary trading → No technical connection to the trading system / also no OBOT
  - fee of 10,000 € per year + 1,800 € balancing account per year.
- active membership
  - enables proprietary trading → full access to the trading system
  - fee of 15,200 € per year

For more information, please contact [membership@powernext.com](mailto:membership@powernext.com)

#### 1.4 What kind of business can a pure Virtual Gas Trader do?

By concluding the CEGH Membership Contract, companies get access to the Virtual Trading Point. These “pure” Gas Traders only sign the CEGH contracts and are therefore restricted to virtual trading. **No network use, no physical delivery and no access to balancing energy** is possible.

To have access to these physical services, a Virtual Trader has to either register as a BGRP with at least a passive membership at the Exchange or join a Balance Group and conclude a bilateral agreement with an already registered BGRP.

A **list of BGRPs** is available at the MAM website.

#### 1.5 Which kind of natural gas products am I able to trade on the PEGAS CEGH Gas Exchange platform?

Members at the PEGAS CEGH Gas Exchange **Spot Market** have the possibility to trade the following contracts for the delivery point VTP: Hourly, Within-Day, Day-Ahead, Weekend, Saturday, Sunday, Bank holiday, Individual day.

Participants of the PEGAS CEGH Gas Exchange **Futures Market** have the possibility to trade the following products: Next 3 months, Next 4 quarters, Next 3 seasons, Next 2 calendar years.

For further information on the contracts / products already tradable on the PEGAS CEGH Gas Exchange markets as well as on the introduction of new contracts / products please refer to our website.

#### 1.6 How can I find out the origin of the natural gas traded at CEGH?

CEGH as operator of the VTP has no information about the origin of the gas traded on the VTP and the Gas Exchange.

Please refer to the [CEGH VAT & Customs Guide](#).

## 1.7 How do I get a protocol for my trading volumes?

Customers will have access to a monthly electronic protocol made available at the web platform detailing their transactions at:

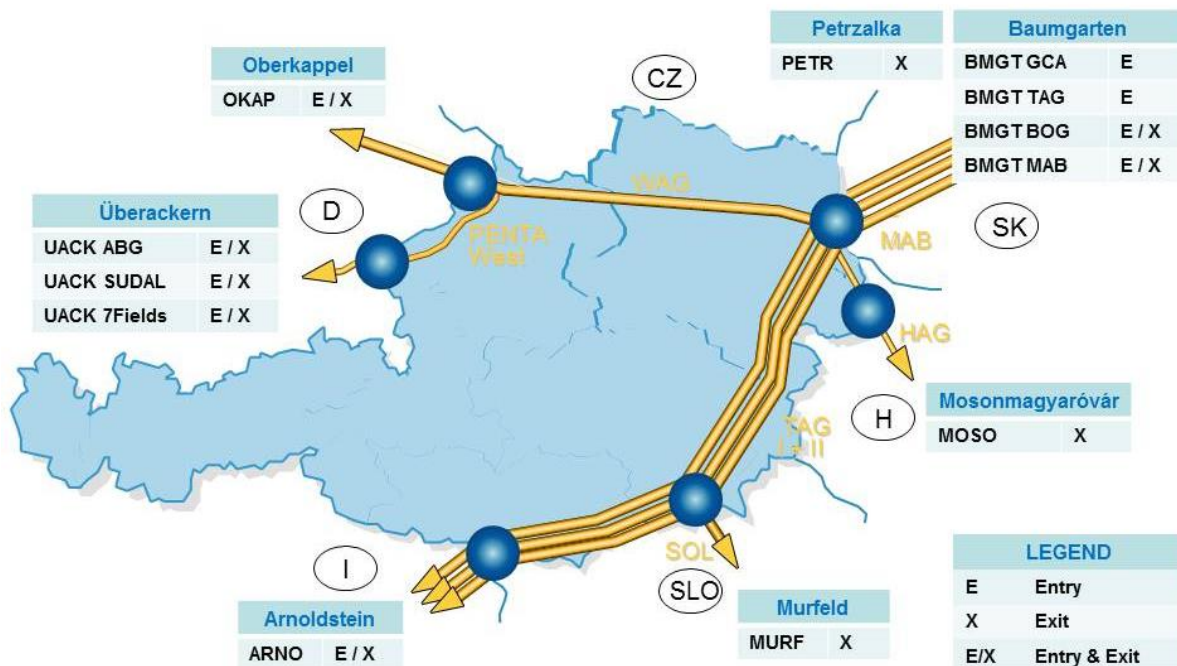
<https://www.gashub.at/cmtwebvtp/login.jsp>

The relevant guide for the receipt of the monthly protocol is published under the following link: [http://cegh.at/sites/default/files/2013\\_cegh\\_cmt\\_reports.pdf](http://cegh.at/sites/default/files/2013_cegh_cmt_reports.pdf)

If a customer has not yet applied for web access in the registration process, please fill out the form published on the website and we will create an account (free of charge, no limitation of clients per company) under following link:

[http://cegh.at/sites/default/files/cegh\\_appendix\\_b\\_operating\\_procedures\\_-page\\_9.pdf](http://cegh.at/sites/default/files/cegh_appendix_b_operating_procedures_-page_9.pdf)

## 1.8 What are the main Entry/Exit Points in the new Market Area?



## 1.9 How can I book capacities at a border point?

Entry/Exit capacities can be booked at the respective TSO or via the PRISMA platform. CEGH as operator of the VTP is **not providing** any kind of service in this respect.

For more specific information please contact the respective transmission system operator (TSO).

## 2 CEGH SERVICES

### 2.1 Title Tracking Service



The Hub Operator provides Title Tracking Services to its Customers. Title Tracking Service includes:

1. Receipt of nominations;
2. Continuous matching of each Customer's Trade Nominations as defined in APPENDIX B;
3. Continuous matching of Trade Nominations of seller or buyer with corresponding Trade Nominations of buyer or seller from respective counterparties (Partner to Partner Matching);
4. Notification of netted positions for each Balance Group to the Market Area Manager;
5. Confirmation of Trade Nominations based on the matching process;
6. Allocation of all Title Tracking Services based on confirmed nominations;
7. Compilation of online reports (standard protocols) and individual reports (Customer specific reporting upon mutual agreement);
8. Electronic archiving of all transaction;
9. Access to the CEGH Web Access.

The Hub Operator will handle any Trade Nomination in accordance with the lead times and time schedules as defined in the Other Market Rules. Title Tracking Service is charged on the basis of allocated Energy. The applicable fees for the CEGH Title Tracking Service are stated in the APPENDIX C of the [CEGH Membership Agreement](#).

### 2.2 Trade Nominations

Trade Nominations ("Trade Nomination Services") are documented in APPENDIX B:

-  The Customer is entitled to nominate more than one Balance Group as delivering party and/or receiving party for transacted Energy.
-  The Hub Operator will receive and match Trade Nominations, and will in any case after completion of the matching process report back as soon as possible corresponding confirmations or in case of application of the Lesser Rule a revised confirmation of Trade Nominations to the Customer and the Counter Parties.

### 2.3 Reporting Service

The Hub Operator will issue Reports according to the provisions listed in APPENDIX B. Monthly final Reports are considered to be legally binding, at the earliest after the expiry of the third (3rd) Business Day of the following Month.

Preliminary Reports will be provided on best endeavours on a daily basis.

All Reports will be made available via CEGH Web Access.

## 2.4 Compliance with Operating Procedures

The Parties will submit their Trade Nominations for Energy according to, and will act in compliance with, the procedures described in APPENDIX B.

## 2.5 Tariff and Fee Schedule

The Hub Operator regularly publishes its current Tariff and Fee Schedule for the Hub Fees on its website. They are incorporated as APPENDIX C.

# 3 BASIC REGISTRATION CEGH OTC MARKET / VIRTUAL TRADER

**Registration on the CEGH OTC market is done in four steps: initial setup, provision of securities, conclusion of Agreement and connectivity tests.**

## 3.1 Initial Contact

In order to start the registration process, please download, complete and sign the [CEGH Registration Form](#) and send it to us:

**Central European Gas Hub AG**  
Attn.: Legal Department  
Customer Administration  
Mrs. Susanne Neunteufl  
floridotower  
Floridsdorfer Hauptstraße 1  
1210 Vienna  
Austria

Please make sure all **supplementary documents**, as stated under pt. 6 of the Registration Form, are enclosed.

If your Extract from the Court Register is not available in German or English, kindly attach a **translation**. This translation does **not** need to be notarized.

If no **list of authorized signatories** of your company, confirmed by a public notary, is available, please send **passport copies** in good quality.

**Non-EU companies:** please forward also a confirmation of their VAT-number registration from their relevant tax authority. This does not apply for EU-residents.

Sending the CEGH Registration Form in advance via e-mail [susanne.neunteufl@gashub.at](mailto:susanne.neunteufl@gashub.at) usually speeds up the registration process by a couple of days.



## 3.2 Provision of Securities

- Every Virtual Trader is requested to either provide a **cash-deposit** or to issue a **bank guarantee, amounting to 10,000 EUR**, and having a **minimum term of twelve (12) months** after issuing date.
- Every **BGRP** is requested to either provide a **cash-deposit** or to issue a **bank guarantee, amounting to 40,000 EUR per balance group**, and having a **minimum term of twelve (12) months** after issuing date.  
Please note that for BGRP pursuant the Austrian Gas Act § 93 Art. 1 no. 5 a requirement to deposit a security amounting to EUR 50,000 applies. Companies with a valid contractual relationship with Austrian Gas Clearing and Settlement AG (AGCS) cover this requirement by their bank guarantee with AGCS.  
All other companies may fulfil this requirement by providing CEGH a security with the **increased amount of 50,000 EUR**

Before a cash-deposit can be transferred, our Back Office must be informed about the forthcoming remittance. Please do not transfer any amount of money without contacting us before.

As the Appendix D Bank Guarantee is an integral part of our [CEGH Membership Agreement](#), the wording of the guarantee is **not subject to any** alterations.

The issuing bank has to have at least a “BBB” rating by Standard & Poor’s or “Baa3” by Moody’s and is subject to mutual agreement.

We also request a **list of authorized signatories** of the issuing bank, unless the Bank Guarantee is sent via SWIFT to an Austrian bank of your choice, which will then pass it on to us.

Unlike all other Membership Documents, the bank guarantee can be issued in English according to our sample.

## 3.3 Conclusion of the Agreement

When all financial and administrative details have been settled, we will forward you all relevant contracts.

Please print, complete and sign the [CEGH Membership Agreement](#) and the **Appendices B and C** in **duplicate** and send them for counter signature to the address below.

Please note that the Membership Agreement including the General Terms and Conditions and the Appendices are approved by the Austrian Energy Authority **in German only**. For this reason, the **English version** is a convenience translation only and legally **not** binding.

- [CEGH Membership Agreement](#)  
**Explanation:** By signing the CEGH Membership Agreement, the customer accepts the CEGH General Terms and conditions and requests CEGH to provide Hub Services as defined in the CEGH General Terms and Conditions.

- Please complete the wildcards on page 2 and sign the agreement on page 3.

 CEGH Appendix B Operating Procedures

**Explanation:** The CEGH Appendix B Operating Procedures contains all information necessary for the daily business. Furthermore, customers can request login data to different web services and interfaces.

- Please use pages 11 and 12 to provide us with contact details and a company address.
- Activated users are then able to manage their nominations online and retrieve allocated data via the web interface.

 CEGH Appendix C Tariff and Fee Structure

**Explanation:** The CEGH Appendix C Tariff and Fee Structure contains information on the fee structure of all services offered by CEGH.

- By signing the CEGH Agreement, the CEGH Appendix C is accepted.

 [CEGH General Terms and Conditions](#)

**Explanation:** The CEGH General Terms and Conditions provide all relevant information in respect to the contractual relationship as well as the services provided by CEGH.


- By signing the CEGH Agreement, the CEGH General Terms and Conditions are accepted.

Please forward all completed and signed contracts to the following address:

**Central European Gas Hub AG**  
Attn.: Mrs. Susanne Neunteufl  
floridotower  
Floridsdorfer Hauptstraße 1  
1210 Vienna  
Austria

### 3.4 Connectivity

In order to get ready for the daily business CEGH strongly recommends setting up and testing the business communication to our OTC Dispatching. In general, CEGH offers a wide variety of nomination formats and communication standards.

 Connectivity types with the according nomination formats

- |              |  |
|--------------|--|
| ○ E-Mail     | KissA, Edig@s 3.2 (.edi), Edig@s 4.0 (XML or .edi) |
| ○ AS2        | KissA, Edig@s 3.2 (.edi), Edig@s 4.0 (XML or .edi) |
| ○ sftp       | KissA, Edig@s 3.2 (.edi), Edig@s 4.0 (XML or .edi) |
| ○ ftp        | KissA, Edig@s 3.2 (.edi), Edig@s 4.0 (XML or .edi) |
| ○ Webservice | Online nomination management system                |

 [CEGH Connection template](#)

**Explanation:** Please use the CEGH Connection template to inform us about the communication details of your preferred business communication.

- Please complete page 1 and 2 according to your preferred type of communication.

Please feel free to contact our OTC Dispatching, +43 1 270 2700 / 28520 or [dispatching@gashub.at](mailto:dispatching@gashub.at) if you have any further questions regarding connectivity.

## 4 CONTACT DETAILS

### Central European Gas Hub AG

floridotower  
Floridsdorfer Hauptstraße 1  
1210 Vienna  
Austria

Email – General  
Email – Dispatching  
Email – Gas Exchange Services  
Email – Back Office  
Website

[info@cegh.at](mailto:info@cegh.at)  
[dispatching@gashub.at](mailto:dispatching@gashub.at)  
[exchange@gashub.at](mailto:exchange@gashub.at)  
[backoffice@gashub.at](mailto:backoffice@gashub.at)  
[www.cegh.at](http://www.cegh.at)

### Executive Board

CEO Gottfried Steiner  
CFO Bernhard Stamm

Tel.: +43 (1) 270 2700  
Tel.: +43 (1) 270 2700

### Assistant to the Executive Board

Christine Lahovnik

Tel.: +43 (1) 270 2700 28501

### Dispatching & IT

Hannes Zimmermann (Head of department)

Tel.: +43 (1) 270 2700 28525

### Gas Exchange Services

Attila Török (Head of department)

Tel.: +43 (1) 270 2700 28526

### Back Office

Heinz Reiter (Head of department)

Tel.: +43 (1) 270 2700 28523

### Legal Department

Frederick Bernthaler (Head of department)

Tel.: +43 (1) 270 2700 28515

### Paralegal / Customer Administration

Susanne Neunteufl

Tel.: +43 (1) 270 2700 28516

### Marketing & Sales

Roland Wolk

Tel.: +43 (1) 270 2700 28508