



## **INSTRUCTION B13/2014**

### **Settlement in the Delivery Period**

1.February.2022

## **Versions Index**

### **30.Jun.2006**

Initial Version

### **16.Aug.2006**

The timings for sending Positions with physical delivery to OMEL were changed.

### **24.Dec.2007**

Adjustments due to the provisions in anticipation of position cascading in the General Contractual Terms of Financial and Physical MIBEL Baseload Futures Contracts, Year and Quarter.

### **18.Nov.2008**

Registered with the Portuguese Securities Market Commission (CMVM) on 30 October 2008, as the Rule on the Settlement System, Clearing House and Central Counterparty of the Regulated MIBEL Derivatives Market, pursuant to Directive 2004/39/CE of the European Parliament and of the Council, of 21 April 2004 (MiFID).

### **2.Mar.2009**

Adapted to include the Forwards Contracts and Swap Contracts.

### **20.Jan2010**

Inclusion of MIBEL Peak Load Futures Contracts.

### **20.May.2011**

Inclusion of the Day and Weekend Contracts.

### **14.Dec.2011**

Modification to differentiate Physical Settlement Accounts with delivery in Portugal and Physical Settlement Accounts with delivery in Spain. Introduction of provisions to be adopted if Transactions are registered in a Physical Trading Account not compatible with the associated Physical Settlement Accounts.

### **10.Feb.2014**

Elimination of the numbers describing the calculation formula of VLE, since it is already described in OMIClear Instruction B03/2014 - Calculation of Margins and Settlement Values.

### **13.May.2016**

Modification of the Service provided by OMIClear from "MIBEL Derivatives Market" to "Service on Power Derivatives Contracts".

### **24.Nov.2017**

Instruction update following the inclusion of the Service on Natural Gas Derivatives Contracts registered in OMIClear through OMIP Derivatives Market.

### **17.Apr.2018**

Update of the Instruction following the extension of the Service on Natural Gas Derivatives Contracts to MIBGAS Derivatives Market.

### **1.Feb.2022**

Update of the rules concerning the settlement by financial delivery and the settlement by physical delivery, following the inclusion of the PVB-ES NG Financial Futures in the Service on Natural Gas Derivatives Contracts.

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Pursuant to its Rulebook, OMIClear approves this Instruction, which sets, unless expressly provided otherwise in the General Contractual Terms of each Contract, the procedures regarding the settlement in the Delivery Period regarding the Service on Power Derivatives Contracts and the Service on Natural Gas Derivatives Contracts.

### General Rules

1. The settlement procedure in the Delivery Period of the Derivatives Contracts listed in Instruction B14/2014 - Eligible Contracts in the Delivery Period follows either of the two forms:
  - a) Settlement by Physical Delivery;
  - b) Settlement by Financial Delivery.
2. The General Contractual Terms of each Contract determine the respective type of settlement.
3. The Settlement in the Delivery Period applies to the open Positions in the MIBEL Futures Contracts, Forward SPEL Contracts and Swap SPEL Contracts, and starts on the first day of the Delivery Period.
4. Due to the cascading of the Positions in specific Contracts maturities, the settlement in the Delivery Period does not apply. The settlement only applies to Positions in Contracts with maturities underlying those of the Contracts that were subject to the cascading procedure.

### Settlement by Financial Delivery

5. Open Positions in each delivery day regarding Power Derivatives Contracts and Natural Gas Derivatives Contracts give rise to the calculation of the Delivery Settlement Value (DSV) which formula is defined in Instruction B10/2014 – Calculation of Margins and Settlement Values, based on:
  - a) In case of Power Swap or Forward Contracts - the differences between the price of the respective Transactions and the Spot Reference Price determined in accordance with Instruction B11/2014 - Reference Prices;
  - b) In case of Power Futures Contracts - the differences between the Settlement Reference Price on Contract' Last Registration Day and the Spot Reference Price determined in accordance with Instruction B11/2014 - Reference Prices.
  - c) In case of Natural Gas Futures Contracts:
    - i. For the PVB-ES NG Physical Futures and PVB-ES NG Physical Futures (Non-Financial Instruments) - the Settlement Reference Price on Contract' Last Registration Day, determined in accordance with Instruction B11/2014 - Reference Prices;
    - ii. In case of PVB-ES NG Financial Futures - the differences between the Settlement Reference Price on Contract' Last Registration Day and the Spot Reference Price determined in accordance with Instruction B11/2014 - Reference Prices.

### Settlement by Physical Delivery

6. As determined in the General Contractual Terms, the open Positions on each delivery day give rise to:
  - a) The financial settlement of the DSV, as referred to in the two preceding paragraphs, and also to;
  - b) The physical delivery of Positions, which is different for Power Derivatives Contracts and for Natural Gas Derivatives Contracts, in accordance with the provisions in the paragraphs below.

### Physical Delivery of Positions in Power Derivatives Contracts

7. OMIClear calculates, on a daily basis, the net balances of the final Positions to be delivered in the Spanish area and in the Portuguese area regarding the Transactions registered on Power Derivatives Contracts with this type of settlement during the Delivery Period in each Power Physical Registration Account.
8. Whenever OMIClear finds that Transactions have been registered in a Power Physical Registration Account not compatible with the associated Power Physical Settlement Accounts, those Positions will only be subject to the financial settlement of the DSV and, if possible, they will be transferred to the Power Financial Registration Accounts of the respective Registration Agent.
9. OMIClear performs the netting of the balances of all Physical Power Registration Accounts in each Physical Power Delivery Account and determines, on a daily basis, the net balance for buying or selling power for such Physical Power Delivery Account.
10. The final balances calculated in each Physical Power Settlement Account are disclosed through the Clearing Platform to the Physical Settlement Agent concerned and to OMIE Spot Market through the collaboration protocol for the exchange of information between the latter and OMIClear, taking into account the calendar described in the table below.

Delivery Day	Limit Date to disclose the Balances to the Physical Settlement Agents and OMIE	Daily Market Session of OMIE
Thursday (D)	Monday (D-3)	Wednesday (D-1)
Friday (D)	Tuesday (D-3)	Thursday (D-1)
Saturday (D)	Wednesday (D-3)	Friday (D-1)
Sunday (D)	Thursday (D-3)	Saturday (D-1)
Monday (D)	Friday (D-3)	Sunday (D-1)
Tuesday (D)	Friday (D-4)	Monday (D-1)
Wednesday (D)	Friday (D-5)	Tuesday (D-1)

*Note: Whenever a calculation day is not a Clearing Day, the information on the delivery day(s) will be scheduled for the preceding Clearing Day.*

11. OMIClear notifies OMIE of the net balance of each Power Physical Settlement Account, as referred to in the preceding paragraph, so that it can be included in its Spot Market as an offer at instrumental price. This notification is made at least within three days before the delivery day of the Positions on that market, in accordance with the deadlines set in the preceding Table.
12. The offers referred to in the preceding paragraph must comply with the rules in force on the said Spot Market. This will be the responsibility of each Physical Settlement Agent acting on the Service on Power Derivatives Contracts, which will also be responsible for specifying the offer according to its production/consumption units in the systems provided by OMIE.
13. Although the Clearing Members are wholly responsible for complying with the obligations inherent to the Positions they have cleared, neither them nor OMIClear will be responsible for the physical delivery of Positions. This matter will be regulated by OMIE rules.
14. Similarly, the existence of counterparties in the OMIE Spot Market required to match the offers from OMIP Derivatives Market is not ensured, and the Spot Market rules will apply.

### Physical Delivery of Positions in Natural Gas Derivatives Contracts

15. Regarding PVB-ES NG Physical Futures and PVB-ES NG Physical Futures (Non-Financial Instruments) OMIClear proceeds as follows during the Delivery Period:
- Computes the net balances of the final Positions to be delivered on each Gas Day regarding the Transactions registered on such Contracts in each Natural Gas Physical Registration Account.
  - Performs the netting of the balances of all Natural Gas Physical Registration Accounts in each Natural Gas Physical Settlement Account and determines, on a daily basis, the net balance for buying or selling natural gas for such Natural Gas Physical Settlement Account.
16. The final balances calculated in each Natural Gas Physical Settlement Account according to the procedures referred to in the preceding paragraph are disclosed through the Clearing Platform to the Physical Settlement Agent concerned and to Enagás GTS, through the cooperation protocol for the information exchange between the latter and OMIClear, taking into account the calendar described in the table below.

Delivery Day (Gas Day)	Limit Date to disclose the Balances to the Physical Settlement Agents and Enagás GTS
Monday (G)	Sunday (G-1)
Tuesday (G)	Monday (G-1)
Wednesday (G)	Tuesday (G-1)
Thursday (G)	Wednesday (G-1)
Friday (G)	Thursday (G-1)
Saturday (G)	Friday (G-1)
Sunday (G)	Saturday (G-1)

*\* The procedures underlying the notification process to Enagás GTS are set in the Instruction B19/2017 – Notification of Positions in Natural Gas Derivatives Contracts.*

### Entry into Effect

17. This Instruction has been registered with CMVM on the November, 25<sup>th</sup> 2021 and will enter into force on February, 1<sup>st</sup> 2022.

*The Board of Directors*