



## **Common power market of Russia and the EAEU, price indices, futures contracts and green certificates: Market Council, TSA, FSC and SPIMEX signed an agreement**

Moscow. 24 August 2021. Association NP Market Council, JSC Trading System Administrator (TSA), JSC Financial Settling Center (FSC) and the Saint Petersburg International Mercantile Exchange (SPIMEX) intend to develop unified approaches to organizing centralized trading in electric power and futures contracts within the framework of the Common Power Market of the Eurasian Economic Union (EAEU CPM).

The relevant cooperation agreement was signed by Maksim Bystrov, Chairman of the Board of Association NP Market Council and JSC TSA, Sergei Lukin, Chairman of the Board of JSC FSC, and Aleksei Rybnikov, SPIMEX CEO.

The parties agreed to work together on technological issues that are to be solved to make possible the launch of trading as well as issues of technological integration of TSA, SPIMEX, market infrastructure organizations and members of the EAEU CPM. Interaction will be focusing on the following areas:

- organization of centralized trading in futures contracts and centralized day-ahead trading in the EAEU CPM;
- information security of the market infrastructure organizations and the EAEU CPM participants to be secured by the operators of centralized trading;
- electronic document management based on the use of digital signatures;
- use of clearing and/or other technologies of centralized set-off of counterclaims of the EAEU CPM participants;
- setting by the EAEU CPM participants of a system of financial guarantees by under derivatives contracts;
- selection of a credit institution that will effect settlements within the EAEU CPM and approval of the procedure for interaction with such credit institution.

The document provides for the use by SPIMES of price indices calculated by TSA for launching in the Russian Federation on-exchange trades in derivatives for electric power.

A joint working group will be created to facilitate interaction in all areas specified above.

**About the Association.** Association “Nonprofit Partnership Council for Organizing Efficient System of Trading at Wholesale and Retail Electricity and Capacity Market” (Association NP Market Council) was created in accordance with the Russian Federal Law ‘On Electricity’. The mission of the Association is to ensure operation of the market infrastructure of the wholesale electricity and capacity market (WECM).

**About JSC TSA.** Joint Stock Company Trading System Administrator of Wholesale Electricity Market Transactions (JSC TSA) is a 100% subsidiary of Association NP Market Council, which has been acting as the WECM Commercial Operator since 01 April 2008. It organizes trading in the Russian wholesale electricity market: specifically, execution of contracts for circulation of electricity, electric power capacity contracts and contracts in other products, circulation of which is allowed in the Russian wholesale electricity market and also supervised due performance of such contracts.

**About JSC FSC.** Joint Stock Company Financial Settling Center (JSC FSC) has effected financial settlements between participants of the Russian wholesale electricity market since 01 January 2005. All shares of the Company are distributed between two shareholders — Association NP Market Council and JSC TSA.

**The Saint Petersburg International Mercantile Exchange (SPIMEX)** is Russia’s largest commodity exchange offering a wide range of products traded both in its Commodities Section (refined oil products, crude oil, natural gas, LPG, timber and construction materials, fertilizers) and in its Derivatives Section. The Exchange’s key task is to operate a transparent, fair and efficient price formation mechanism for Russian commodities. SPIMEX was founded in 2008.