Chapter 516

German NCG Natural Gas (ICIS Heren) Calendar Swap

51601. Description

51601.1 The German NCG Natural Gas (ICIS Heren) Calendar Swap is financially settled referencing the ICIS Heren price assessments for NCG. The swap will be quoted in Euros per MWh.

51601.2 The CME Clearing Europe commodity code shall be IGNE

51602. Contract size

51602.1 The contract size shall be 1 MWh per hour for each Gas Delivery Day in the contract month. Adjustments will be made to the number of MWh per Gas Delivery Hour for leap years and daylight savings time to reflect the total number of days in a month or hours in a day.

51603. Contract months

51603.1 The German NCG Natural Gas (ICIS Heren) Calendar Swap shall be available for the current year and two additional calendar years. An additional 12 monthly contracts will be listed on the first business day of each calendar year.

51604. Prices

51604.1 Prices shall be quoted in Euro per MWh

51604.2 The minimum price fluctuation shall be Euro 0.005 per MWh

51604.3 There shall be no maximum price fluctuation

51605. Daily Settlement Prices

51605.1 The Clearing House shall establish settlement prices in respect of open positions for the purpose of daily position valuation and variation margin calculation, as described in the Clearing Procedures

51606. Termination of Trading

51606.1 Trading shall cease on the first London business day immediately preceding the last calendar day of the contract month

51606.2 On the last trading day, as noted in 51606.1, the final time for trade submission shall be 4.30pm London time (5.30pm CET)
Floating Price

The floating price for each contract month is equal to the arithmetic average of the mid-point between the bid and offer quotations for the Day-ahead and Weekend NCG price assessments published by ICIS Heren in the European Spot Gas market report.

The price per MWh of Natural Gas, stated in Euro shall be published for each Gas flow day for each UK business day except where the Gas flow day is a weekend day or not a UK business day in London when the NCG weekend price assessment shall be used.

Final Settlement

Final settlement for the German NCG Natural Gas (ICIS Heren) Calendar Swap shall be by financial settlement.

Where the Floating Price exceeds the Trade Price, a buyer of a German NCG Natural Gas (ICIS Heren) Calendar Swap shall receive from the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size. Where the Trade Price exceeds the Floating Price, a buyer of a German NCG Natural Gas (ICIS Heren) Calendar Swap shall pay to the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

Where the Floating Price exceeds the Trade Price, a seller of a German NCG Natural Gas (ICIS Heren) Calendar Swap shall pay to the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size. Where the Trade Price exceeds the Floating Price, a seller of a German NCG Natural Gas (ICIS Heren) Calendar Swap shall receive from the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

Disclaimer

Neither CME Clearing Europe Ltd. (“CMECE”) nor Reed Business Information Ltd (“ICIS Heren”) guarantees the accuracy and/or completeness of the index or any of the data included therein. CMECE and ICIS Heren make no warranties, express or implied, as to the results to be obtained by any person or entity from use of the index, trading based on the index, or any data included therein in connection with the trading of the contracts, or, for any other use. CMECE and ICIS Heren make no warranties, express or implied, and hereby disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, in no event shall CMECE or ICIS Heren have any liability for any lost profits or indirect, punitive, special or consequential damages (including lost profits), even if notified of the possibility of such damages.

Last modified: 30 December 2013