Chapter 520

Italian Natural Gas (ICIS Heren) vs. Dutch Natural Gas (ICIS Heren) Spread Calendar Swap

52001. Description

52001.1 The Italian Natural Gas (ICIS Heren) vs. Dutch Natural Gas (ICIS Heren) Spread Calendar Swap is a financially settled swap referencing the price differential between the ICIS Heren PSV price assessments and the ICIS Heren price assessments for TTF. The swap will be quoted in Euros per MWh.

52001.2 The CME Clearing Europe commodity code shall be IDPE.

52002. Contract size

52002.1 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.

52003. Contract months

52003.1 Italian Natural Gas (ICIS Heren) vs. Dutch Natural Gas (ICIS Heren) Spread Calendar Swap shall be available for consecutive calendar months for the current year and two additional full calendar years. An additional 12 monthly contracts will be listed on the first business day of each calendar year.

52004. Prices

52004.1 Prices shall be quoted in Euro per MWh.

52004.2 The minimum price fluctuation shall be Euro 0.005 per MWh.

52004.3 There shall be no maximum price fluctuation.

52005. Daily Settlement Prices

52005.1 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.

52006. Termination of Trading

52006.1 Trading shall cease on the first London business day immediately preceding the last calendar day of the contract month.

52006.2 On the last trading day, as noted in 52006.1, the final time for trade submission shall be 4.30pm London time (5.30pm CET).
52007. **Floating Price**

52007.1 The Floating Price for each contract month is equal to the arithmetic average of mid-point between the bid and offer quotations for the Day-ahead and Weekend PSV assessments minus the arithmetic average of the mid-point between the bid and offer quotations for the Day-ahead and Weekend TTF 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 PSV and TTF price assessments shall be used.

52008. **Final Settlement**

52008.1 Final settlement for the Italian Natural Gas (ICIS Heren) vs. Dutch Natural Gas (ICIS Heren) Spread Calendar Swap shall be by financial settlement.

52008.2 Where the Floating Price exceeds the Trade Price, a buyer of an Italian Natural Gas (ICIS Heren) vs. Dutch Natural Gas (ICIS Heren) Spread 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 an Italian Natural Gas (ICIS Heren) vs. Dutch Natural Gas (ICIS Heren) Spread Calendar Swap shall pay to the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

52008.3 Where the Floating Price exceeds the Trade Price, a seller of an Italian Natural Gas (ICIS Heren) vs. Dutch Natural Gas (ICIS Heren) Spread 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 an Italian Natural Gas (ICIS Heren) vs. Dutch Natural Gas (ICIS Heren) Spread Calendar Swap shall receive from the Clearing House the difference between the Floating Price and the Trade Price, multiplied by the contract size.

52009. **Disclaimer**

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