

642 GWh AWARDED IN THREE AUCTIONS UPON REQUEST IN MIBGAS DERIVATIVES

- IN THESE AUCTIONS, PVB-LPI INDEXED FUTURES PRODUCTS WERE NEGOTIATED, WHICH ARE CONTRACTS WITH PHYSICAL DELIVERY IN THE PVB (SPANISH VIRTUAL BALANCING POINT) AND QUOTED WITH A SPREAD WITH RESPECT TO THE LPI INDEX
- THE INITIATING AGENT ASKED MIBGAS DERIVATIVES TO ORGANISE THESE PURCHASE AUCTIONS.

Madrid, 7 May 2024.- This morning MIBGAS Derivatives held three auctions of PVB-LPI indexed futures products, which are contracts with physical delivery in the PVB (Spanish virtual balancing point), and which are quoted with a spread with respect to the LPI index. In total, 642 GWh were awarded, an amount that demonstrates the interest of the agents in these tools that allow better risk management in the supply of natural gas.

The initiating agent asked MIBGAS Derivatives to organise these purchase auctions (at least 3,000 MWh/d in each one) of PVB-LPI products for the month of June (M+1) and for the third and fourth quarters (Q3/2024 and Q4/2024). In the three cases, the price (what is negotiated is the differential or spread) was €0.140/MWh.

The products auctioned are PVB-LPI indexed contracts, that is, the underlying is gas with delivery at the Spanish PVB at a price indexed to the MIBGAS Last Price Index (LPI) Day Ahead, which means that the price to be negotiated in each auction is the spread with respect to the daily LPI index published daily by MIBGAS and during the time period of each contract. In other words, the gas that is contracted now and delivered in each future period will be settled at the price on each gas delivery day plus the matched spread.

The contracts closed in these three auctions will be settled through the OMIClear clearing house, so there is no counterparty risk.

These types of products are very useful since they allow - in a single transaction - the risk exposure of those companies that negotiate natural gas referenced to MIBGAS to be managed.