

## Only relevant for Direct Clearing Participants (DCP) trading in EUR

### ECC Clearing Circular 22/2024

#### Upcoming Changes for EPEX SPOT and HUPX Auction EUR

##### Summary

This circular informs DCPs about the upcoming introduction of the Pan-European Intraday Auctions Power (IDAs) according to European Regulation for ECCs Partner Exchanges: EPEX and HUPX in Q2/2024 and its effects regarding the trading limits. For detailed information regarding the new products, please refer to ECC Clearing Circular No. 15/2024 and concerning admission information please refer to ECC Clearing Circular No. 17/2024.

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## Expansion of the DCP model to IDA markets

With the Go-live of the IDA market and successful admission at ECC, DCP members will be able to participate in three new IDA taking place on each delivery day (D):

IDA1: D-1 15:00 CE(S)T. Allocated period D [00:00-24:00]

IDA2: D-1 22:00 CE(S)T. Allocated period D [00:00-24:00]

IDA3: D 10:00 CE(S)T. Allocated period D [12:00-24:00]

These new auctions affect the Base Exposure calculated from these auctions. Therefore, the Base Limit calculation for the limit definitions EPEX\_AUCTION\_EUR and HUPX\_AUCTION\_EUR and consequently the maximum limit across all markets are affected. If you are not set up for the EPEX SPOT or HUPX Power Auction market or have not defined a Base Limit for these markets, there is no impact.

(For BSP\_AUCTION\_EUR there is also no impact as the setup for this market already covers these new auctions.)

## Effects on limit calculation

The new calculation leads to an increased Base Exposure to accommodate the period between 4:00 PM CE(S)T and 10:00 AM CE(S)T, where trades could be executed due to the new auctions. This possibly leads to reduced excess collateral and thus limits (please see Table 1 & 2).

Collateral - Open Risk - Base Exposure = Excess Collateral

To mitigate this, consider increasing collateral through an O10 form (latest 2 days prior due date) or reducing the Base Limit for EPEX\_AUCTION\_EUR and/or HUPX\_AUCTION\_EUR through O09 Form (latest 2 days prior due date). [Admission Forms \(ecc.de\)](https://www.ecc.de)

Table 1: Old Calculation Example

Base Limit Business Day (BD): 5000 €

Base Limit Non-Business Day (NBD): 3000€

Day	Monday 16:00 to Tuesday 16:00	Tuesday 16:00 to Wednesday 16:00	Wednesday 16:00 to Thursday 16:00	Thursday 16:00 to Friday 16:00	Friday 16:00 to Monday 16:00
<b>Base Limit</b>	€ 5,000 (= Base Limit BD)	€ 5,000 (= Base Limit BD)	€ 5,000 (= Base Limit BD)	€ 5,000 (= Base Limit BD)	€ 5,000 (= 3 * max(NBD Base Limit, Base Limit BD) / 3)
<b>Base Limit Requirements</b>	€ 5,000 = Base Limit BD *1	€ 5,000 = Base Limit BD *1	€ 5,000 = Base Limit BD *1	€ 15,000 = Base Limit BD *1 + 2 * max(Base Limit NBD, Base Limit BD)	€ 15,000 = Base Limit BD *1 + 2 * max(Base Limit NBD, Base Limit BD)

Table 2: New Calculation Example

Base limit Business Day (BD): 5000 €

Base limit Non-Business Day (NBD): 3000€

Day	Monday 16:00 to Tuesday 16:00	Tuesday 16:00 to Wednesday 16:00	Wednesday 16:00 to Thursday 16:00	Thursday 16:00 to Friday 16:00	Friday 16:00 to Monday 16:00
<b>Base Limit</b>	€ 5,000 (= Base Limit BD)	€ 5,000 (= Base Limit BD)	€ 5,000 (= Base Limit BD)	€ 5,000 (= Base Limit BD)	€ 5,000 (= 3 * max(NBD Base Limit, Base Limit BD) / 3)
<b>Base Limit Requirements</b>	<b>€ 10,000</b> = Base Limit BD *2	<b>€ 10,000</b> = Base Limit BD *2	<b>€ 10,000</b> = Base Limit BD *2	<b>€ 20,000</b> = Base Limit BD *1 + <b>3 * max(Base Limit NBD, Base Limit BD)</b>	<b>€ 20,000</b> = Base Limit BD *1 + <b>3 * max(Base Limit NBD, Base Limit BD)</b>

Please note that if you have an old DCP EUR Simulation Tool, adjustments are necessary, as the old version will yield incorrect results.

More information with example calculations can be found on [DCP Risk Management \(ecc.de\)](https://ecc.de).