

Indirect Participation on the Belpex Spot Market

Flexible, tailor-made access to the short-term electricity market

Introduction

Belpex is the Belgian Power Exchange for anonymous, cleared, Day-Ahead and Intraday trading in electricity, providing the market with a transparent and robust reference price.

Indirect membership of the Belpex Day-Ahead market allows flexible, tailor-made access to the short-term electricity market.

This is an excellent solution for organisations with less trading experience or those without their own trading floor as operational activities are taken care of by a service provider who trades on the Indirect Participant's behalf.

- In the Indirect Participation set-up, all the activities of trading, including the submission of orders, the use of the trading platform and the market monitoring, are taken care of by a Broker who trades for the Indirect Participant's account.
- The Indirect Participant takes care of the responsibilities of the clearing and settlement, including the deposit of collateral and the handling of energy invoices, in a direct relationship with APX Clearing B.V., the Belpex clearing house. These activities are not market specific and less effort intensive.
- The nomination of the contracts concluded on Belpex towards the Belgian Transmission System Operator Elia is done by the Access Responsible Party, who is responsible for maintaining the balance between injection and off-take in their portfolio. As an Indirect Participant, you are free to outsource this service to a third party.

Parties involved

Belpex

The Belpex Day-Ahead market offers optimal opportunities for electricity load/production through the hourly price calculation and a 'just in time' philosophy. The Belpex electricity market is coupled with the other markets in the region and therefore improves price stability by efficiently matching international offers and bids.

The Broker

The Broker is a direct participant to the Belpex market. Based on his experience with direct participation on the trading platform and knowledge of the (Belgian) electricity market, the Broker can offer tailor-made energy solutions to Indirect Participants.

The Indirect Participant

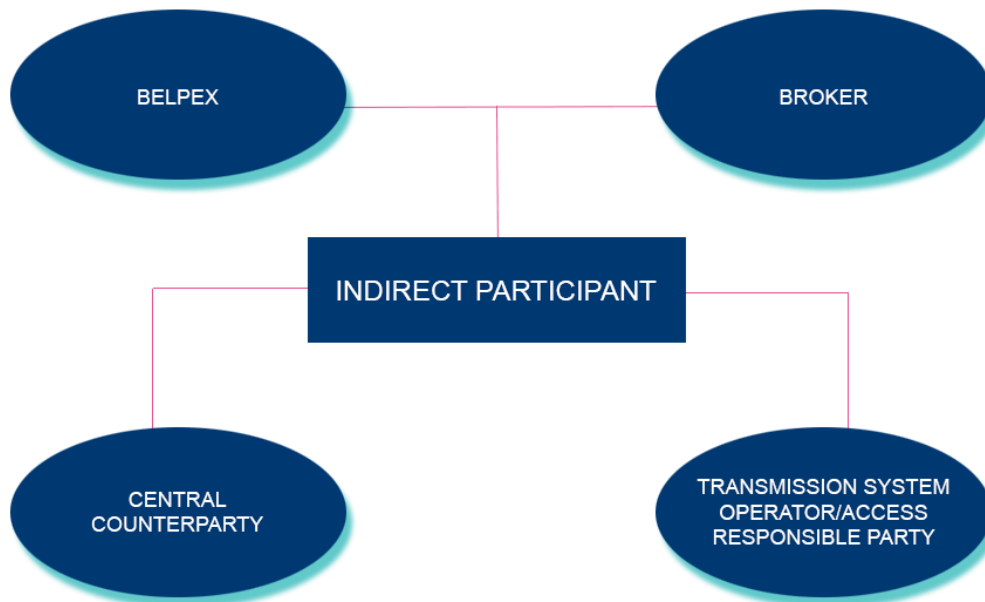
The Indirect Participation facility offers access to the Belgian short-term electricity market for those wishing to separate trading from clearing activities or don't have the experience or means to trade themselves. The Indirect Participation set-up is optimal for electricity consumers, producers or suppliers in Belgium with a flexible load profile. The "indirect" market access allows those players to have an active electricity management policy without losing focus on their core business.

The Central Counterparty

APX Clearing B.V. is the central counterparty for all contracts concluded on the Belpex Day-Ahead market. APX Clearing clears and settles contracts and manages collateral accounts on behalf of the market participants.

The Transmission System Operator (TSO)

Elia is the Transmission System Operator of the Belgian high voltage electricity grid. All electricity traded on the Belpex Day-Ahead market is delivered via Elia's transmission grid. Every Market Participant needs to appoint an Access Responsible Party (ARP) to take care of this physical delivery via the ARP's balance portfolio.



Fee Paid by the Indirect Participant	Towards	Amount
Entrance Fee	Belpex	€500
Annual fee	Belpex	€5,000
Transaction Fee	Belpex	€0.10/MWh
Service Fee	Broker	Negotiable
Service Fee	Access Responsible Party	Negotiable

Key benefits

For the Broker

- Expanding product range;
- Avoiding administrative overload;
- Gathering commercial information about clients;
- Eliminating unnecessary collateral deposits;
- Increased visibility: mentioned as 'Broker' on the Belpex website.

For the Indirect Participant

- Support of a Broker;
- Opportunity to separate trading and clearing activities and focus on core business;
- Optimise short-term load/production scheduling;
- Efficiently trade energy at transparent Belix index;
- Clear separation between energy transactions and service costs;
- Increased comprehension of short-term electricity market through active participation;
- Access to Belpex Market Participant base.

Belpex

Belpex operates the power spot exchange in Belgium and is part of APX Group, operating in the United Kingdom, the Netherlands and Belgium. As an experienced and innovative European energy exchange, we offer an efficient, transparent and secure electronic trading environment and provide market data for use by traders, energy suppliers and energy-intensive industries.

APX and Belpex have over 150 memberships on their markets from more than 15 countries. The offices are located in Amsterdam, Brussels, London and Nottingham.