

Serbia: EPEX SPOT says there is still no date for the launch of a SEEPEX power exchange

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From the European Energy Exchange EPEX SPOT it was announced that there was still no date for the opening of electricity stock exchange (Seepex) in south-eastern Europe, which has been developed in partnership with EMS, Serbian transmission system operator.

The director of "Elektromreza Srbije" Nikola Petrovic said in March last year that SEPEEX day-ahead electricity market would reach full operational capacity in the first quarter of 2015. However, due to delays in the adoption of the new Law on energy, also the beginning of the establishment of organized electricity spot market in Serbia was postponed.

In the joint company of EMS and EPEX SPOT in Serbia, EMS will have 75 percent and French company 25 percent of the ownership.

Recent changes in the Serbian legislation helped to develop the project; it was said in the Office for media relations in EPEX SPOT.

EPEX SPOT is the stock exchange for electricity trading in Germany, France, Austria and Switzerland.

In May 2014th, it was signed the document "Principles of Cooperation between EMS and EPEX SPOT for the establishment and functioning of SEEPEX". The document specifies the current cooperation of PE "Elektromreza Srbije" and EPEX SPOT on the establishment of organized electricity market in the Republic of Serbia and the region of Southeast Europe.

To remind, cooperation of EMS and EPEX SPOT began with the signing of the Letter of Intent in March 2013th and continued through intensive activities to consider and analyze the legal, regulatory and technical framework, both at national and European level.

SEPEEX will be a joint venture company with EMS and EPEX equity in proportion of 75:25. The agreement will allow the establishment and development of organized electricity spot market in Serbia in accordance with the European target model, with ensuring appropriate platform for the planned establishment of a regional day-ahead market.

In the initial phase, the neighboring states Montenegro, Macedonia and Bosnia can join SEPEEX. Also, there are plans to link the regional market with the market in Hungary, which is already associated with the day-ahead markets in the Czech Republic, Slovakia and Romania.

SEPEEX will first establish its day-ahead market, with intraday trading in a later stage.

According to earlier information, it is expected that the stock market will completely begin to live in 2018th, while the expected profit is 400,000 EUR annually.

Regarding SEEPEX uses for market participants, the organized market will provide a centralized, user-oriented infrastructure, where all the bids are submitted in one place, so that the optimal hourly rates are determined on the basis of supply and demand.

The market prices got in this way are undoubtedly more relevant than those formed in the bilateral market, since, given that the regulated market concentrates liquidity in the market, it is much easier to find the matching offer this way, but without the infrastructure provided by the stock market.

The rules of trading on the stock electricity exchange are public and are the same for all society members. The centralized function of financial settlement with the central mediator, namely partner (clearing house) will increase financial security of the market participants, and thus reduce financial risks.

Platform and services provided by SEEPEX will greatly strengthen European integration projects, which directly lead to improvement of the investment framework in the field of electrical engineering.