

**Priority question for written answer P-002323/2022
to the Commission**

Rule 138

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Subject: Assessing the need to curb speculation in energy commodity derivatives

On 20 October 2021, President von der Leyen called for an end to 'speculation on the energy markets'. Although the Commission has since proposed a significant number of welcome measures to address rising prices and price volatility in the EU gas and electricity markets, none of them have specifically targeted speculation in energy commodity derivatives. Existing rules such as position limits merely limit individual positions in order to prevent market abuse, but do not curb excessive speculation.

However, a recent study has pointed out that the net churn rate¹ of the Title Transfer Facility traded gas hub – the primary gas pricing hub for the EU gas market – has increased steadily over the past decade from 13.9 in 2011 to 114.5 in 2020. In layman's terms, this means that the volumes of gas traded on this contract are 114 times greater than related consumption.

Does the Commission consider that a churn rate of 114.5 is appropriate, or does it on the contrary reflect excessive speculation in the EU gas market?

Moreover, does it consider that such high trading volumes relative to real needs/consumption could have contributed to the rise in and volatility of EU gas prices?

¹ <https://a9w7k6q9.stackpathcdn.com/wpcms/wp-content/uploads/2021/07/European-Traded-Gas-Hubs-NG-170.pdf>