



## REMIT Quarterly

ACER guidance on the application of REMIT and transaction reporting

Issue No. 2 / Q2 2015

### Contents

1. Progress with the Registration of Registered Reporting Mechanisms
2. Update of the ACER Guidance on the application of REMIT
3. Update of the REMIT Reporting User Package
4. Statistics

## Progress with the Registration of Registered Reporting Mechanisms

**Whilst the Agency is currently in the final stage of approving a first group of third-party Registered Reporting Mechanisms (RRMs) and has already published a list of pre-registered third-party RRMs, the Agency is also processing more than 320 market participant RRM applicants in parallel. The former are most relevant for the first phase of data reporting under REMIT as of 7 October 2015, the latter for the second phase of data reporting under REMIT as of 7 April 2016.**

The Agency's Market Monitoring Department is performing a number of activities that are a key to the smooth implementation of REMIT and the coming into force of the trade data reporting obligations from 7 October 2015. The Agency supported National Regulatory Authorities (NRAs) to meet their deadline for starting the registration of market participants by 17 March 2015. In parallel, the Agency has continued its IT development for data collection, data sharing and market monitoring, and the initial assessment and coordination of activities on an increasing number of potential market abuse cases. The following progress was made with the registrations of RRMs.

### Registration of third-party RRMs

A list of pre-registered third party RRMs for the first phase of reporting was already published in June for transparency reasons. That list will still be updated as new RRM applicants reach the final stages of their application process. Another batch of third-party RRM applicants are still to submit their documents and test reports, which the Agency will process as soon as they arrive. Third-party RRMs can be organised market places, trade matching and trade reporting systems, including trade repositories, as well as the ENTSOs.

The list of pre-registered RRMs contains all third-party RRM applicants that have received an ACER code following the initial administrative completeness checks. The Agency considers an RRM as pre-registered once it has passed the initial administrative completeness checks and, hence, qualifies to become an RRM, if it submits the required documents and passes the subsequent technical IT testing stage.

The list of pre-registered RRMs was published as a pdf document on the REMIT Portal which the Agency updates regularly. The approved RRMs are on the other hand published automatically by the RRM tool, and will appear hence immediately after the approval on the REMIT Portal.

The publishing of the list of pre-registered RRMs provided transparency to European market participants on the most advanced RRM applicants allowing them to prepare the entering into a data reporting agreement.

The Agency welcomes initiatives for standard data reporting agreements for European market participants, especially if they are RRM neutral and comply with the requirements of competition law.

Find the published list of pre-registered RRMs on the REMIT portal under <https://www.acer-remit.eu/portal/list-of-rrm>.

### Market Participant RRMs

The Agency aims at optimising the RRM registration of market participants as much as possible. This is why the starting point of a market participant's RRM registration is the registration as a market participant.

All market participants shall register with their respective NRA according to the provisions of Article 9 of REMIT. The market participant registration by NRAs is based on a single European registration format defined by Agency Decision No 1/2012.

When registering, the market participant can indicate the intention to become an RRM for the purposes of self-reporting and/or providing reporting services to other entities. The information of the intention to become an RRM is then sent to the Agency and the Agency proceeds with the initiation of the RRM registration process.

When the market participant registers with an NRA using the Centralised European Register of Energy Market Participants (CER-EMP) system, this information is provided in Section 5 of the online registration form.

The RRM applicant will be requested to follow a sequence of steps in order to acquire approved RRM status as described in the RRM Requirements document available on the REMIT Portal <https://www.acer-remit.eu/portal/acer-documents>.

### Update of the ACER Guidance on the Application of REMIT

The Agency has updated the ACER Guidance on the application of REMIT as regards the reporting timelines. The updated ACER Guidance was published on 30 June 2015.

The Agency has updated Chapter 4.6 of the 3rd edition of the ACER Guidance on the application of REMIT that covers the registration of market participants with NRAs. Since the first publication of the ACER Guidance on the application of REMIT, the Agency has updated it whenever necessary. The latest 3rd edition of the Guidance was published on 29 October 2013.

On 17 December 2014, Commission Implementing Regulation (EU) No 1348/2014 defined deadlines for the beginning of the reporting obligations. Taking into account the dates of reporting as laid down in Article 12 of the above-mentioned Commission Implementing Regulation and their implication for the market participants' registration, the Agency found it appropriate to update that part of the 3rd edition of the ACER Guidance.

The updated 3rd edition of the ACER Guidance on the application of REMIT is available on the Agency's website and on the REMIT Portal under <https://www.acer-remit.eu/portal/acer-documents>.

### Public consultation on the disclosure of inside information

The Agency organised a Public Consultation on a common schema for the disclosure of inside information under REMIT from 27 May 2015 to 30 June 2015.

By promoting a commonly used and understood format for the disclosure of inside information the Agency aims to further raise the level of transparency in wholesale energy markets and to allow stakeholders to collect urgent market messages in an efficient manner.

The results of the Agency's analysis of the current practices for the disclosure of inside information in the form of urgent market messages showed that the information content and the way the information is presented could be improved:

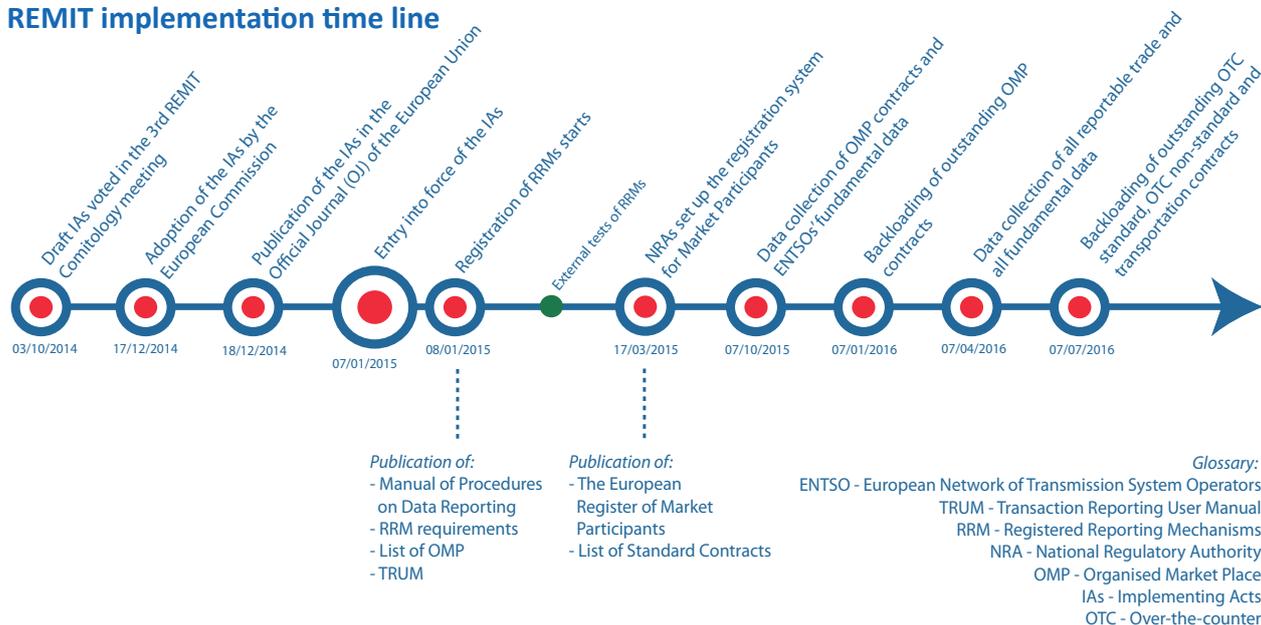
- On one hand, the 3rd edition of the ACER Guidance on the application of REMIT needs to be updated in order to comply with the new details on the publication of inside information set out in Commission Implementing Regulation (EU) No 1348/2014.
- On the other hand, the implementation of the high level requirements included in the 3rd edition of the ACER Guidance revealed divergent working practices, such as different nomenclature or unit of measurement used.

The Agency would like to reinforce the need for a common understanding of the effective disclosure of inside information in order to increase the transparency of wholesale energy markets, to ensure compliance with the Commission Implementing Regulation (EU) No 1348/2014 and to facilitate the collection of inside information. For this purpose, the Agency's Consultation Paper outlines a proposal for a common schema, a set of fields, definitions and a list of accepted values, together with a recommendation for the implementation of web-feeds in line with the provisions of Article 10(1) of the above-mentioned Commission Implementing Regulation.

Following the public consultation, the Agency intends to produce a manual with detailed requirements for the disclosure of inside information, establishing procedures, standards and electronic formats as well as a Guidance Note that will trigger a revision of the ACER Guidance during summer 2015.

The Public Consultation paper is available at: [http://www.acer.europa.eu/Official\\_documents/Public\\_consultations/Pages/PC\\_2015\\_R\\_03.aspx](http://www.acer.europa.eu/Official_documents/Public_consultations/Pages/PC_2015_R_03.aspx)

### REMIT implementation time line



## Update of the REMIT Reporting User Package

The REMIT Reporting User Package consists of the List of Organised Market Places, the List of Standard Contracts, the Transaction Reporting User Manual (TRUM), the Manual of Procedures for Transaction and Fundamental Data Reporting and the Requirements document for the Registration of Registered Reporting Mechanisms (RRM Requirements document). The Agency published this documentation on 8 January 2015 and on 17 March 2015 respectively.

### List of Organised Market Places and List of Standard Contracts

Article 3(2) of Commission Implementing Regulation (EU) No 1348/2014 requires the Agency to draw up and maintain a public List of Standard Contracts and a List of Organised Market Places in order to facilitate reporting. The Agency is currently reviewing the List of Organised Market Places in order to include Organised Market Places for transportation contracts as of 7 July 2015. In addition, the Agency is currently reviewing the List of Standard Contracts in order to further improve the understanding of whether a bilateral contract will have to be reported as standard or non-standard contract for the second phase of reporting as of 7 April 2016.

### RRM Requirements document

The RRM Requirements document specifies the technical and organisational requirements pursuant to Article 11(1) of Commission Implementing Regulation (EU) No 1348/2014 for submitting data to the Agency. Whilst it was not necessary to update the RRM Requirements so far, the Agency provided an updated RRM technical specification document and updated data validation rules on 16 June 2015 and made them available to identified RRM applicants through the RRM registration system against signing of a Non-Disclosure-Declaration. The updates mainly provide necessary clarifications. The update of the RRM technical specification document also contains additional information for the second phase of reporting under REMIT as of 7 April 2016. In the meantime, the Agency will also provide public keys for the Agency's REMIT Information System (ARIS).

### Transaction Reporting User Manual

The purpose of the Transaction Reporting User Manual (TRUM) is to facilitate the re-

porting of wholesale energy products to the Agency under REMIT and to provide reporting parties with a clear understanding about the details of the information they are required to report. To this end, the TRUM aims at explaining the content of the reportable information in a user manual.

On 6 May 2015, the Agency published a new Annex II of the TRUM with trading scenarios for the purpose of REMIT data reporting of standard contracts. It was accompanied by a guidance document on how to create and submit trading examples for the TRUM and a new webpage on the REMIT Portal on "Transaction reporting of REMIT supply and derivative contracts" providing information about ACER's guidance and tools for the transaction reporting of REMIT supply and derivative contracts. Reporting parties that have questions related to any REMIT transaction reporting issue can submit questions by submitting the transaction reporting query form to the following functional mailbox: [transaction.reporting\(at\)acer.europa.eu](mailto:transaction.reporting(at)acer.europa.eu)

The Agency is currently holding additional roundtable meetings with stakeholders to further improve and complement the TRUM during summer 2015, including an update of Annex II of the TRUM concerning additional trading scenarios for both standard and non-standard contracts, Annex III of the TRUM concerning the reporting of REMIT derivatives under EMIR and Annex IV of the TRUM concerning guidance on UTI generation.

### Manual of Procedures on transaction and fundamental data reporting

The Manual of Procedures on transaction and fundamental data reporting establishes procedures, standards and electronic formats based on established industry standards for reporting of transaction and fundamental data information to the Agency according to Article 10(3) of Commission Implementing Regulation (EU) No 1348/2014.

On 30 June 2015, the Agency published an updated version of the Manual of Procedures. The update includes a number of additional electronic formats for additional data types. Whilst the previous version of the Manual of Procedures already covered all electronic formats for the first

phase of reporting under REMIT as of 7 October 2015, the current publication complements the set of electronic formats that are required for the second phase of reporting under REMIT as of 7 April 2016. It now also provides the XML schema for gas nomination data, the XML schema for LNG data and the XML schema for gas storage data. At the time of the publication of the previous version of the Manual of Procedures, those schemas were still being developed by the relevant industry associations, and it was announced that they would be added at a later stage, as soon as available.

In addition, two existing schemas for the reporting of fundamental data have been modified and they will also be published together with the updated Manual of Procedures. The updated schemas are those for gas transparency as well as for gas transportation. The modifications were triggered by the relevant industry associations requesting them for reasons of clarification. For the same reason, the electricity nominations schema underwent some editorial changes.

The Agency is currently considering some fine-tuning of the schema (version 1) to be used to report trading scenarios according to REMIT Table 1 of Commission Implementing Regulation (EU) No 1348/2014. The fine-tuning may result in a version 2 of the aforementioned schema. However, the Agency would like to stress that this would not affect the use of the current schema (version 1) as any changes are minimal. This is why they will not have any impact on anyone who wants to use the current schema (version 1) for reporting as of 7 October 2015 since the new schema (version 2) will only extend the set of allowed values at the request of some reporting parties. Therefore the current schema (version 1) for the reporting of REMIT Table 1 will continue to be fully supported for the October go-live so that this fine-tuning will not have any impact on stakeholders' ability to properly prepare for the go-live. The Agency anticipates that version 2 of the REMIT Table 1 schema for standard trades will be published during summer 2015.

The updates are made available under: <https://www.acer-remit.eu/portal/acer-documents>

## Case statistics

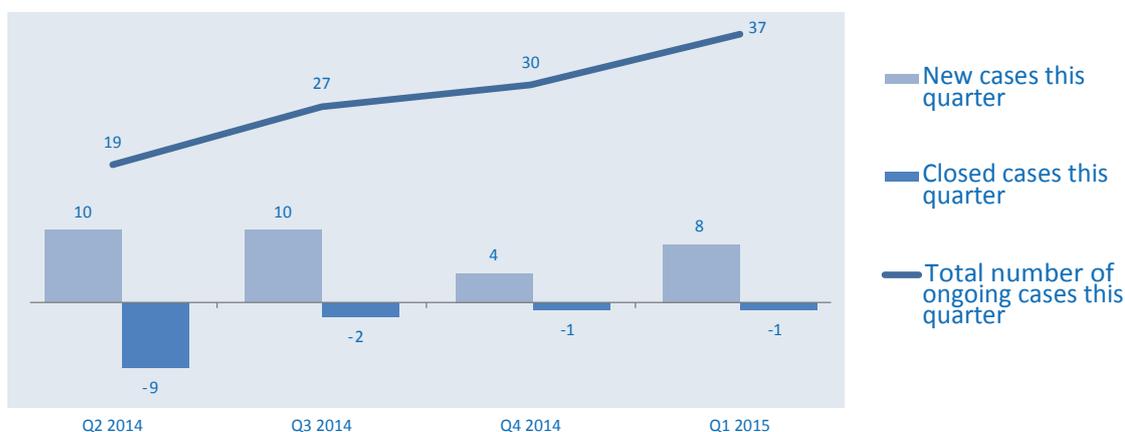
REMIT cases are potential breaches of REMIT that are either notified to the Agency by external entities or discovered by the Agency through its surveillance activities. A case could, after a thorough investigation by the relevant national authority, lead to sanctions. A case could also be closed without sanctions, for instance if the suspicions were unfounded.

The table below shows the number of cas-

es that were under review by the Agency in the last four quarters. As more cases were opened than closed in 2014 as well as in the first quarter of 2015, the total number of ongoing cases shows an upward trend. The number of ongoing cases gradually has grown from 30 in the end of 2014 to 37 by the end of the first quarter of 2015.

The Agency is responsible for monitoring the wholesale energy markets and shall

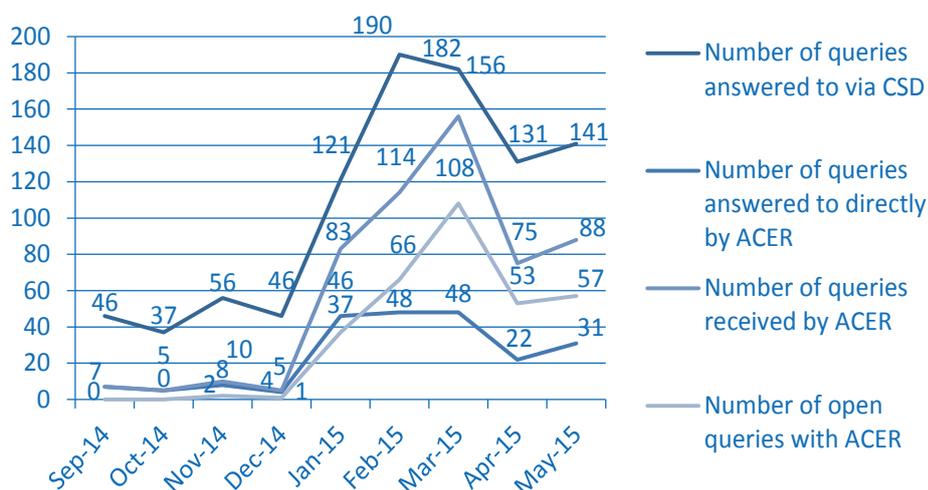
aim at ensuring that NRAs carry out their tasks in a coordinated and consistent way, but it is not responsible for the investigation of potential breaches of REMIT. The EU Member States have the obligation to ensure that their National Regulatory Authorities have the required investigatory and enforcement powers to accomplish this.



## Query statistics

The Agency receives a high number of questions via different channels concerning REMIT and its implementation. The table to the right shows the number of questions the Agency received and answered during the past months.

Due to the high number and regularity of the queries, the Agency has put in place a procedure where it normally responds to questions through a new edition of the REMIT Q&A paper which is published every month.



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