

ACER STAFF WORKING DOCUMENT

**Requirements for the registration of  
Registered Reporting Mechanisms (RRM)  
under REMIT**

**December 2014**

According to Article 11 of the draft implementing acts, the Agency shall develop requirements to ensure the uniform reporting of both trade and fundamental data. The requirements shall:

- (a) ensure the security, confidentiality and completeness of information,
- (b) enable the identification and correction of errors in data reports,
- (c) enable the authentication of the source of information,
- (d) ensure business continuity.

According to the implementing acts, the Agency shall assess whether reporting parties comply with the requirements. Reporting parties who comply with the requirements shall be registered by the Agency.

On this basis, the Agency has developed the Requirements for the registration of RRM, which describes the technical and organisational requirements for the reporting of trade and fundamental data, the registration process of reporting parties and how the Agency will assess that the aforementioned requirements are fulfilled. The RRM Requirements will be complemented by a 'technical specifications' document, which will describe in more detail how to report data to the Agency.

The Agency held two public consultations on the requirements to be complied with by reporting parties. The first public consultation took place in spring 2013 and the second consultation took place during summer 2014. A public workshop was held in July 2014 to discuss the second public consultation document with stakeholders.

## Related Documents

- Regulation (EU) No 1227/2011 of the European Parliament and of the Council on wholesale energy market integrity and transparency, <http://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:326:0001:0016:en:PDF>
- Commission Implementing Regulation on data reporting implementing Article 8(2) and (6) of Regulation (EU) No 1227/2011, **[INSERT LINK TO IMPLEMENTING ACTS]**
- ACER Work Programme 2014, 1 October 2013, [http://www.acer.europa.eu/official\\_documents/acts\\_of\\_the\\_agency/publication/acer%20work%20programme%202014.pdf](http://www.acer.europa.eu/official_documents/acts_of_the_agency/publication/acer%20work%20programme%202014.pdf)
- 3<sup>rd</sup> edition of ACER Guidance on the application of Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency, 29 October 2013, [http://www.acer.europa.eu/remit/Documents/REMIT%20ACER%20Guidance%203rd%20Edition\\_FINAL.pdf](http://www.acer.europa.eu/remit/Documents/REMIT%20ACER%20Guidance%203rd%20Edition_FINAL.pdf)
- ACER Recommendations to the Commission as regards the records of wholesale energy market transactions, including orders to trade, according to Article 8 of Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency, 23 October 2012 and 26 March 2013, <http://www.acer.europa.eu/remit/Documents/Recommendations%20on%20REMIT%20Records%20of%20transactions.pdf>
- ACER's public consultation on technical requirements on data reporting under REMIT, 22 March 2013, [http://www.acer.europa.eu/Official\\_documents/Public\\_consultations/Pages/PC\\_2013\\_R\\_01-on-technical-requirements-for-data-reporting-under-REMIT--.aspx](http://www.acer.europa.eu/Official_documents/Public_consultations/Pages/PC_2013_R_01-on-technical-requirements-for-data-reporting-under-REMIT--.aspx)
- ACER's public consultation Draft REMIT Requirements for the registration of Registered Reporting Mechanisms (RRM), **[DATE]**
- Transaction Reporting User Manual (TRUM), **[DATE]**  
**[INSERT LINK]**
- Manual of Procedures on transaction and fundamental reporting, **[DATE]**,  
**[INSERT LINK]**

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## 1 Introduction

Article 12(1) of Regulation (EU) No 1227/2011 (REMIT) stipulates that the Agency shall ensure operational reliability of the information received pursuant to Article 8 of REMIT and that it shall take all necessary measures to prevent any misuse of, and unauthorised access to, the information maintained in its systems.

Pursuant to Article 8 of REMIT, the European Commission shall, by means of implementing acts, adopt uniform rules on the reporting of records of transactions, including orders to trade ('trade data') as well as on the reporting of information related to the capacity and use of facilities for production, storage, consumption or transmission of electricity or natural gas or related to the capacity and use of LNG facilities, including planned or unplanned unavailability of these facilities ('fundamental data').

According to the implementing acts adopted by the Commission on [DATE] (the 'Implementing Acts'), the Agency shall develop requirements to ensure the uniform reporting of both trade and fundamental data<sup>1</sup>. In particular, the Agency shall:

- develop, after consulting relevant parties, technical and organisational requirements for the submission of trade and fundamental data (hereafter referred to as 'RRM requirements');
- assess compliance with those requirements; and
- register reporting parties that comply with the requirements.

The present document describes the requirements for the reporting of trade and fundamental data, the registration process of reporting parties and how the Agency will assess that the aforementioned requirements are fulfilled. The paper also provides an overview of the relevant legal framework.

The Agency held two public consultations on the requirements to be complied with by reporting parties. The first public consultation was launched on 22 March 2013 and concerned the registration of Registered Reporting Mechanisms (RRMs) and Regulated Information Services (RISs) for ensuring operational reliability according to Article 12 of REMIT. The public consultation document consisted of 11 questions, and the consultation lasted until 13 May 2013. A public workshop was held on 25 April 2013 to discuss the public consultation document<sup>2</sup> with stakeholders.

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<sup>1</sup> Draft Implementing Acts, as published by the European Commission on 8 July 2014, <http://ec.europa.eu/transparency/regcomitology/index.cfm?do=search.documentdetail&F+lK9Sf5x6/wlUuSyngZumOBWhdbDkI2Fc+pLBG2z/MxdbQ+AI/X9VTTMRqv00VG>.

<sup>2</sup> An overview of the replies to the 2013 public consultation can be found in Annex 1 to the 2014 public consultation on Draft REMIT Requirements for the registration of Registered Reporting Mechanisms (RRM): [http://www.acer.europa.eu/Official\\_documents/Public\\_consultations/PC\\_2014\\_R\\_05/Draft%20Requirements%20for%20RRMs\\_PC\\_FINAL.pdf](http://www.acer.europa.eu/Official_documents/Public_consultations/PC_2014_R_05/Draft%20Requirements%20for%20RRMs_PC_FINAL.pdf).

On [DATE], following the publication by the Commission of the draft REMIT Implementing Acts, the Agency launched a public consultation on the draft REMIT Requirements for the registration of Registered Reporting Mechanisms (RRM). The consultation lasted until 2 September 2014. Furthermore, in order to ensure transparency and full involvement of stakeholders, the Agency organised a public workshop in Ljubljana on 16 July 2014, to collect stakeholders' views on the upcoming public consultation<sup>3</sup>.

The present document neither describes in detail which trade and fundamental data have to be reported nor how such data shall be reported. A detailed description of the data to be reported can be found in the Transaction Reporting User Manual (TRUM) and the Manual of Procedures on transaction and fundamental data reporting.

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<sup>3</sup> An overview of the responses received can be found at: [INSERT LINK]

## 2 Legal framework

Pursuant to Article 8 of REMIT, the European Commission shall by means of implementing acts adopt uniform rules on the reporting trade and fundamental data.

This Section provides an overview of the provisions of the Implementing Acts concerning the channels for reporting trade and fundamental data, the mandate given to the Agency for the development of RRM requirements, and the responsibility for data reporting.

Please note that a detailed description of which trade and fundamental data have to be reported or how such data shall be reported can be found in the Transaction Reporting User Manual and the Manual of Procedures on transaction and fundamental data reporting.

### 2.1 Rules on the reporting of trade data

#### 2.1.1 Wholesale energy products executed at organised market places

Pursuant to Article 6(1) of the Implementing Acts, market participants shall report details of wholesale energy products executed at organised market places including matched and unmatched orders to the Agency through the organised market place concerned, or through trade matching or trade reporting systems. The organised market place where the wholesale energy product was executed or the order was placed shall at the request of the market participant offer a data reporting agreement.

It is important to note in this regard that, in accordance with Article 3(2) of the Implementing Acts, the Agency shall draw up and publish a list of organised market places upon entry into force of the Implementing Acts and update that list in a timely manner<sup>4</sup>.

This provision covers the reporting of transactions, including orders to trade, executed at organised market places related to the following wholesale energy products:

- supply contracts (see the list in Article 3(1)(a) numbers (i) to (vii) of the Implementing Acts);
- transportation contracts concluded on secondary markets (see Article 3(1)(b)(ii) of the Implementing Acts); and
- derivatives contracts (see Article 3(1)(a)(viii) and Article 3(1)(b)(iii) of the Implementing Acts), unless already reported under MiFIR or EMIR.

Therefore, in the reporting of these contracts, market participants shall rely on organised market places or trade matching and trade reporting systems and will be relieved from reporting such data to the Agency themselves. The same reporting channels shall be used also for the reporting of post-trade events concerning the aforementioned contracts concluded at organised market places. Information on which post-trade events shall be reported and how such reporting shall take place can be found in the Transaction Reporting User Manual (TRUM).

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<sup>4</sup> The list of organised market places is available at <http://www.acer.europa.eu>.

#### 2.1.2 Wholesale energy products in relation to the transportation of electricity and natural gas – Primary allocation results

TSOs or third parties on their behalf shall report details of contracts relating to the transportation of electricity or natural gas concluded as a result of a primary explicit capacity allocation by or on behalf of the TSO (physical or financial capacity rights or obligations), including matched and unmatched orders (see Article 3(1)(b)(i) and Article 6(2) of the Implementing Acts).

Therefore also for this kind of contracts, market participants will be relieved from reporting directly to the Agency. The reporting shall be performed either by TSOs or third parties acting on behalf of TSOs.

#### 2.1.3 Wholesale energy products reported in accordance with Article 26 of Regulation (EU) No 600/2014 (MiFIR) or Article 9 of Regulation (EU) No 648/2012 (EMIR)

Pursuant to Article 6(4) of the Implementing Acts, information in relation to wholesale energy products which have been reported in accordance with MiFIR or EMIR shall be provided to the Agency by:

- trade repositories referred to in Article 2 of EMIR,
- approved reporting mechanisms;
- competent financial markets authorities;
- the European Securities and Markets Authority, as appropriate.

Furthermore, according to Article 6(5) of the Implementing Acts, where persons have reported details of transactions in accordance with MiFIR or EMIR, their obligations in relation to reporting under REMIT shall be considered as fulfilled.

It is important to note that EMIR does not prescribe the reporting of orders to trade. Hence, the latter are not covered by Article 6(4) and 6(5) of the Implementing Acts and shall be reported in accordance to Article 6(1) of the Implementing Acts (see above).

Furthermore, according to Article 6(6) of the Implementing Acts, organised markets, trade matching or reporting systems, who have reported details of derivatives under financial rules, subject to their agreement, should be able to report the same information also to the Agency.

#### 2.1.4 Wholesale energy products concluded outside an organised market place

Under Article 6(3) of the Implementing Acts, market participants or third parties on their behalf shall report details of the following contracts concluded outside an organised market place:

- supply contracts, whether standard or non-standard (see the list in Article 3(1)(a) numbers (i) to (vii) of the Implementing Acts);
- transportation contracts concluded on secondary markets (see Article 3(1)(b)(ii) of the Implementing Acts); and
- derivatives contracts (see Article 3(1)(a)(viii) and Article 3(1)(b)(iii) of the Implementing Acts), unless already reported under MiFIR or EMIR.



### 2.1.5 Contracts reportable at the request of the Agency

Article 4(1) of the Implementing Acts lists the contracts that are reportable only upon reasoned request of the Agency and on an ad-hoc basis. The list includes the following contracts, unless concluded on organised market places:

- (a) Intragroup contracts,
- (b) Contracts for the physical delivery of electricity produced by a single production unit with a capacity equal to or less than 10 MW or by production units with a combined capacity equal to or less than 10 MW,
- (c) Contracts for the physical delivery of natural gas produced by a single natural gas production facility with a production capacity equal to or less than 20 MW,
- (d) Contracts for balancing services in electricity and natural gas.

On [DATE], the Agency issued a non-action letter announcing that for the time being, and until further notice, it will not request the reporting of those contracts.

## 2.2 Rules on the reporting of fundamental data

A detailed description of the fundamental data to be reported and on how to report those data can be found in the Manual of Procedures on transaction and fundamental data reporting. The chapters below are only intended to provide an overview of the persons entrusted with the reporting of fundamental data.

### 2.2.1 Information available on the ENTSO-E transparency platform

Pursuant to Article 8(1) and (2) of the Implementing Acts, information in relation to the capacity and use of facilities for production, consumption and transmission of electricity including planned and unplanned unavailability of these facilities as referred in Articles 6 to 17 of Commission Regulation (EU) No 543/2013 shall be reported to the Agency by ENTSO-E on behalf of market participants. The information shall be reported through the central information transparency platform as referred in Article 3 of Regulation (EU) No 543/2013.

### 2.2.2 Information on nominations for electricity

Pursuant to Article 8(3), final nominations between bidding zones shall be reported by electricity TSOs or third parties on their behalf.

Therefore, no fundamental data on electricity is to be reported directly by market participants other than TSOs.

### 2.2.3 Information available on the ENTSG central platform

Under Article 9(1) of the Implementing Acts, ENTSG shall, on behalf of market participants, report information to the Agency in relation to the capacity and use of facilities for transmission of natural gas including planned and unplanned unavailability of these facilities as referred in points 3.3(1) and 3.3(5) of Annex I to Regulation (EC) No 715/2009 of the European Parliament and of the Council. The information shall be made available through the Union-wide central platform as referred in point 3.1.1(1)(h) of Annex I to Regulation (EC) No 715/2009.

#### 2.2.4 Information on nominations for gas

Pursuant to Article 9(2) of the Implementing Acts, day-ahead nominations and final renominations of booked capacities shall be reported by gas TSOs or third parties on their behalf.

#### 2.2.5 Information on LNG facilities

Information on the availability of LNG facilities shall be reported by LNG system operators (LSOs), while information concerning unloading and reloading may be reported either by market participants or by LSOs on their behalf (Article 9(3) to (6) of the Implementing Acts).

#### 2.2.6 Information on gas storage facilities

Information on the availability of gas storage facilities shall be reported by Storage system operators (SSOs), while information concerning the amount of gas stored by each market participant at the end of the gas day may be reported either by market participants or by SSOs on their behalf (Article 9(7) to (9) of the Implementing Acts).

In sum, the gas fundamental data that can be reported directly by market participants are those related to unloading and reloading at LNG facilities and to the amount of gas stored by each market participant at the end of the gas day at gas storage facilities. Market participants may, however, delegate the reporting to LSOs and SSOs, respectively, or to other third-party reporting entities.

### 2.3 Technical and organisational requirements

The Implementing Acts provide that the Agency shall develop technical and organisational requirements for submitting data (Article 11). The requirements shall aim at ensuring efficient, effective and safe exchange and handling of information. The requirements shall:

- ensure the security, confidentiality and completeness of information,
- enable the identification and correction of errors in data reports,
- enable the authentication of the source of information,
- ensure business continuity.

The Agency shall assess whether reporting parties comply with the requirements. Recital 10 to the Implementing Acts clarifies that the assessment should ensure a proportionate treatment of professional third parties handling market participants' data and market participants reporting their own data. Reporting parties who comply with the requirements shall be registered by the Agency.

The requirements will apply to any person reporting trade and / or fundamental data directly to the Agency. For trade repositories, approved reporting mechanisms ('ARMs'), financial markets authorities and ESMA, they will, however, be considered as fulfilled.

The Agency will contact trade repositories and ARMs to establish appropriate channels for the provisions of data reportable under MiFIR or EMIR. Should trade repositories and ARMs wish to actively report those data, they shall, in any case, demonstrate their ability to follow the procedures, meet the standards and submit the data in accordance with the electronic formats established by the Agency. This shall be the case also in case trade repositories and ARMs will report data other than those reportable under MiFIR or EMIR.

Chapter 6 below provides an overview of the requirements the Agency intends to adopt, of the registration process for reporting entities, and of how the Agency intends to assess whether the requirements are met.

## **2.4 Responsibility for reporting data**

Pursuant to Article 11(3) of the Implementing Acts, persons required to report trade and or fundamental data shall have responsibility for the completeness, accuracy and timely submission of data.

By way of derogation from that responsibility, where a person required to report such data through a third party, the person shall not be responsible for failures in the completeness, accuracy or timely submission of the data which are attributable to the third party. In those cases the third party shall be responsible for those failures, without prejudice to Articles 4 and 18 of Regulation 543/2013 on submission of data in electricity markets.

However, persons required to report data shall take reasonable steps to verify the completeness, accuracy and timeliness of the data which they submit through third parties.

### **3 What is a RRM?**

RRM stands for ‘Registered Reporting Mechanism’, meaning a person that reports trade and / or fundamental data directly to the Agency under REMIT.

RRMs must comply with the technical and organisational requirements for the reporting of data and are, thus, registered by the Agency to provide the service of reporting trade and / or fundamental data. Chapters 2.1 and 2.2 above describe the channels for the reporting of trade and fundamental data, providing an overview of potential RRM.

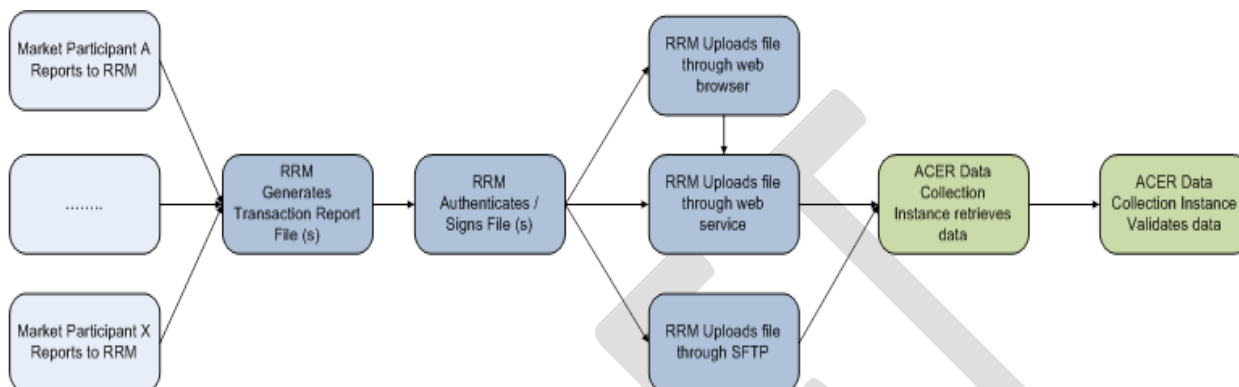
It is important to note that in case of a reporting delegation chain (e.g. counterparty A delegates the reporting to counterparty B, which, in turn, delegates the reporting to C), only the entities submitting data directly to the Agency (C, in the example above) shall register as a RRM.

Chapter 5 below lists the RRM requirements, whilst Chapter 6 describes the registration process.

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#### 4 How will data reporting work in practice?

The Agency will provide an information system (ARIS – Agency’s REMIT Information System) that will be used to collect, process and analyse the data submitted by RRMs. The key steps of the data reporting process are schematically presented in the below figure<sup>5</sup>:



The data reporting process will be described in more detail in the RRM Technical Specifications document. For reasons of operational reliability, the RRM Technical Specifications document will be kept confidential and applicants will have to sign a non-disclosure agreement before receiving a copy of the document. This is a best practice applied by national financial regulators under EU financial market rules which the Agency also intends to apply for REMIT purposes.

<sup>5</sup> In case a market participant reports its own trades then it acts as a RRM and no submissions from MP to RRM occur.

## **5 Technical and organisational requirements for the submission of data**

### **5.1 Application of the requirements to different categories of RRM**

When developing the RRM requirements the Agency aims to strike a balance between the objective of ensuring the efficient, effective and safe exchange and handling of information and the need not to impose unnecessary burdens on reporting entities.

According to Recital 10 to the Implementing Acts, the Agency's assessment of compliance with the requirements should ensure a proportionate treatment of professional third parties handling market participants' data and market participants reporting their own data.

It is important to note that it is not possible for the Agency to state in advance of the registration process which policies / mechanisms are considered in compliance with the requirements. The assessment may vary depending on the type of data reported, on type of reporting entity (professional third parties handling market participants' data / market participants reporting their own data or on behalf of parent and related undertakings as identified in Section 4 of the registration form), on the size of data reported, on the number and variety of data sources and on other relevant factors.

However, Sections 5.2 to 5.11 below provide guidance on how different categories of market participants shall prove compliance with the requirements.

As regards the contracts listed in Article 4(1) of the Implementing Acts, for the time being the Agency does not intend to request information on those contracts. For further information, please consult the non-action letter issued by the Agency on [DATE]. The Agency will consult in due time before establishing RRM requirements applicable for the reporting of contracts covered by Article 4(1) of the Implementing Acts.

### **5.2 Requirements on the secure transmission of data**

RRMs shall have sound security mechanisms in place designed to guarantee the security of the means of transfer of information to the Agency. They shall include mechanisms to:

- a. ensure non-repudiation;
- b. minimise the risk of data corruption;
- c. minimise the risk of unauthorised access; and
- d. prevent information leakages while reporting.

All reporting entities wishing to become RRM shall submit documentation on their security policy during the registration process. The detailed information on what security measures and controls should be implemented by RRM will be provided during the registration process. The Agency also reserves the right to request additional information.

When assessing compliance with this requirement, the Agency will ensure a proportionate treatment of the different categories of reporting entities.

### 5.3 Requirements on the timely transmission of data

RRMs shall have mechanisms in place designed to ensure the transmission of trade and fundamental data within the deadlines established in the REMIT Implementing Acts. In particular, they shall:

- a. have adequate contingency plans in place to assure the timely reporting of data. Third-party RRM shall ensure that the availability of their services enables their associated market participants to report information within the deadline;
- b. have business continuity mechanisms in place, including adequate resources and back-up facilities, to guarantee the proper handling of incidents that could hamper timely reporting.

During the registration phase, all reporting entities wishing to become RRM shall submit documentation describing the procedures aimed at ensuring the timely transmission of data and their business continuity plan. The Agency also reserves the right to request additional information.

When assessing compliance with this requirement, the Agency will ensure a proportionate treatment of the different categories of reporting entities.

### 5.4 Requirements on the validation of input

RRMs must have adequate systems and controls in place to ensure that:

- a. there is certainty about the source of the information created or collected by the RRM. In case of RRM reporting other information than their own data, this means that the RRM shall be able to guarantee (i) the identity of the market participant(s) or (ii) the identity of any other person submitting information on behalf of the market participant;
- b. persons submitting information on behalf of a market participant are properly authorised to do so;
- c. transaction reports are complete and accurate. While persons required to report data shall take reasonable steps to verify the completeness, accuracy and timeliness of the data which they submit through third parties, the latter are expected to identify omissions (missing mandatory fields) and obvious errors<sup>6</sup> and to request and / or initiate the re-transmission of erroneous or missing reports;
- d. there is no significant risk of data corruption in the input process.

During the registration process, reporting entities wishing to become RRM shall submit documentation describing the procedures aimed at ensuring input validation. Such documentation shall include a description of the technical solution to be implemented by the RRM applicant. The Agency also reserves the right to request additional information.

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<sup>6</sup> The validation rules the Agency will apply to reported data will be described in the “Technical specification for Registered Reporting Mechanisms”. It is expected that the RRM will validate the data against these rules prior to submission of the reports to ARIS and therefore that a rejection rate for submitted reports will stay reasonably low.

However, the following reporting entities who wish to become RRM are not requested to submit the documentation describing how they intend to comply with points a., b., and d. above during the registration process:

- Market participants only reporting details of their leg of a contracts;
- LSOs reporting fundamental data referred to in Article 9(3) of the Implementing Acts;
- SSO reporting fundamental data referred to in Article 9(7) of the Implementing Acts.

The Agency may, however, request a registered RRM to produce and submit such documentation, particularly in case of a significant decrease in data quality (see Chapter 7 below).

Furthermore, the following reporting entities who wish to become RRM are not requested to submit the documentation describing how they intend to comply with points a. and d. above during the registration process:

- Market participants reporting details of a contract also on behalf of the other counterparty;
- TSOs reporting transportation data pursuant to Article 6(2) of the Implementing Acts;
- TSOs reporting data referred to in Article 8(3) and 9(2) of the Implementing Acts;
- LSOs reporting fundamental data referred to in Article 9(5) of the Implementing Acts;
- SSOs reporting fundamental data referred to in Article 9(9) of the Implementing Acts.

The Agency may, however, request a registered RRM to produce and submit such documentation, particularly in case of a significant decrease in data quality (see Chapter 7 below).

When assessing compliance with this requirement, the Agency will ensure a proportionate treatment of the different categories of reporting entities.

## **5.5 Requirements on output format**

RRMs must report information to the Agency in a standard format defined by the Agency. As regards the electronic format for the submission of data, please refer to the Manual of Procedures on transaction and fundamental data reporting.

During the registration process, all reporting entities wishing to become RRM shall submit documentation describing how they comply with this requirement. The Agency also reserves the right to request additional information. When assessing compliance with this requirement, the Agency will ensure a proportionate treatment of the different categories of reporting entities.

## **5.6 Requirements on output content**

The reported information must contain the information indicated in the REMIT Implementing Acts. For an overview of the information to be reported under the Implementing Acts, please consult the Manual of Procedures on transaction and fundamental data reporting.



During the registration process, all reporting entities wishing to become RRM's shall submit documentation describing how they comply with this requirement. The Agency also reserves the right to request additional information. When assessing compliance with this requirement, the Agency will ensure a proportionate treatment of the different categories of reporting entities.

## **5.7 Requirements on the validation of output**

All RRM's must have a mechanism in place to ensure that the Agency's receipts detailing out what data was reported and on the outcome of the reporting are properly processed and that proper procedures for rectification and re-submission of invalid reports are in place.

RRM's reporting data other than their own data must have a mechanism in place to ensure that the person on behalf of whom they report can be granted access to the data submitted to the Agency by the RRM as well as to Agency's receipts detailing out what data was reported and on the outcome of the reporting<sup>7</sup>. Furthermore, these RRM's must have proper communication channels established with the market participants to ensure they are informed about which data was identified as invalid by the Agency and how they should correct it and re-send it to the RRM for re-submission to ARIS.

During the registration process, reporting entities wishing to become RRM's shall submit documentation on how they comply with this requirement. The Agency also reserves the right to request additional information.

However, the following reporting entities who wish to become RRM's are not requested to submit such documentation during the registration process:

- Market participants only reporting details of their leg of a contracts;
- Market participants reporting details of a contract also on behalf of the other counterparty;
- TSOs reporting data pursuant to Articles 6(2), 8(3) and 9(2) of the Implementing Acts;
- LSOs reporting fundamental data referred to in Article 9(3) and 9(5) of the Implementing Acts;
- SSO reporting fundamental data referred to in Article 9(7) and 9(9) of the Implementing Acts;

The Agency may, however, request a registered RRM to produce and submit such documentation, particularly in case of a significant decrease in data quality (see Chapter 7 below).

When assessing compliance with this requirement, the Agency will ensure a proportionate treatment of the different categories of reporting entities.

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<sup>7</sup> Notwithstanding this requirement, the Agency intends to offer market participants the possibility to request a sample of the data submitted on their behalf by a RRM. In order to ensure secure transmission of the data, access will be granted using devices such as DVDs or USB sticks. The Agency reserves the right to limit the size of the requested file and the number of requests that can be filed very year by each market participant.

## 5.8 Requirements on governance

RRMs must have proper governance agreements in place to ensure that they have internal control mechanisms, transparent and consistent lines of responsibility and sound administrative procedures. In addition, RRM must implement a robust compliance process with sufficient controls over regulatory requirements and conflict of interest.

During the registration process, reporting entities wishing to become RRM shall submit documentation describing how they comply with this requirement. The Agency also reserves the right to request additional information.

However, the following reporting entities who wish to become RRM are not requested to submit such documentation during the registration process:

- Market participants only reporting details of their leg of a contracts;
- Market participants reporting details of a contract also on behalf of the other counterparty;
- TSOs reporting data pursuant to Articles 6(2), 8(3) and 9(2) of the Implementing Acts;
- LSOs reporting fundamental data referred to in Article 9(3) and 9(5) of the Implementing Acts;
- SSO reporting fundamental data referred to in Article 9(7) and 9(9) of the Implementing Acts;

The Agency may, however, request a registered RRM to produce and submit such documentation, particularly in case of a significant decrease in data quality (see Chapter 7 below).

Should the RMM outsource any of its activities, it must document the outsourcing arrangement(s) and ensure that such arrangement(s) guarantee(s) compliance with the requirements. All reporting entities wishing to become RRM shall submit such documentation during the registration process. The Agency also reserves the right to request additional information. When assessing compliance with these requirements, the Agency will ensure a proportionate treatment of the different categories of reporting entities.

## 5.9 Requirements on operational reliability

RRMs must employ robust operational risk controls and procedures. Such controls and procedures shall be documented in an operational risk policy or framework, which:

- a. inventories the potential operational and regulatory risk the RRM may encounter;
- b. describes the policies for mitigating any operational risk in an efficient and effective manner

Furthermore, RRM shall keep a record of the information transmitted to the Agency for a period of at least 12 months from the date of transmission.

During the registration process, reporting entities wishing to become RRM shall document how they comply with this requirement. The Agency also reserves the right to request additional information.

However, the following reporting entities who wish to become RRM are not requested to submit such documentation during the registration process:

- Market participants only reporting details of their leg of a contracts;
- Market participants reporting details of a contract also on behalf of the other counterparty;
- TSOs reporting data pursuant to Articles 6(2), 8(3) and 9(2) of the Implementing Acts;
- LSOs reporting fundamental data referred to in Article 9(3) and 9(5) of the Implementing Acts;
- SSO reporting fundamental data referred to in Article 9(7) and 9(9) of the Implementing Acts;

The Agency may, however, request a registered RRM to produce and submit such documentation, particularly in case of a significant decrease in data quality (see Chapter 7 below).

When assessing compliance with this requirement, the Agency will ensure a proportionate treatment of the different categories of reporting entities.

#### **5.10 Requirements concerning the disruption of services**

RRMs must inform the Agency without delay if their operations are disrupted. Disruption means any event, internal or external, that as a result seriously limits or prevents a RRM from complying with the RRM requirements as described in this document. No later than 15 working days following the disruptions, RRM should provide the Agency with a report about the reasons of the disruptions and the actions taken to prevent any re-occurrence of the event.

RRMs reporting trade and / or fundamental data on behalf of market participants shall inform those market participants of the disruption and of the actions taken to prevent any repeated event.

Furthermore, a RRM must be able to demonstrate every time there is a failure that no information has been unreported as a result of the disruption.

When assessing compliance with this requirement, the Agency will ensure a proportionate treatment of the different categories of reporting entities.

#### **5.11 Requirements concerning security breaches**

RRMs that learn of a breach of any of its security measures affecting the availability, integrity or confidentiality of information relevant to reporting must:

- a. immediately notify the Agency of the breach; and
- b. as soon as possible provide the Agency with a detailed report describing the breach and any steps taken to mitigate the consequences of that breach.

RRMs reporting trade and / or fundamental data on behalf of market participants shall inform those market participants of the security breach and of the steps taken to correct that breach.

When assessing compliance with this requirement, the Agency will ensure a proportionate treatment of the different categories of reporting entities.

## **5.12 Requirements on communication with the Agency**

RRMs must provide the Agency with the names and contact details of their competent staff to assist the Agency with its regulatory responsibilities. Timely updates of such information should be provided when changes occur.

The RRM shall ensure the availability of the contact person(s) during the working hours of the Agency.

The RRM must reply to requests for clarifications put forward by the Agency within the timeframe indicated in the request and provide any information and evidence the Agency may reasonably require for the performance of its functions.

## **5.13 Fulfilment of the criteria at all times**

RRMs must, at all times, meet the RRM requirements.

## **5.14 Compliance report**

At the request of the Agency, RRMs shall produce a compliance report describing how the RRM met the technical and organisational requirements in the period indicated in the Agency's request. The Agency may request that the report on the performance of RRM related activities is produced and certified by an independent information systems auditor on the basis of an audit plan produced by the Agency. The Agency will publicly consult on the audit plan before issuing any such request.

# **6 Registration**

## **6.1 Who needs to register as a reporting mechanism?**

Chapters 2.1 and 2.2 above describe the channels for the reporting of trade and fundamental data. The entities identified therein may, therefore, apply to register as reporting mechanism and become RRMs. However, they shall do so, only if they do not wish to delegate the reporting of trade and / or fundamental data to a third party.

In sum, any person wishing to report records of transactions directly to the Agency needs to register as a reporting mechanism, except if it only engages in those contracts referred to in Article 4(1) of the Implementing Acts. As stated by the Agency in its non-action letter of [DATE] for the time being and until further notice, the Agency does not intend to collect information on the contracts listed in Article 4(1) of the Implementing Acts. The Agency will consult in due time before establishing RRM requirements applicable for the reporting of contracts covered by Article 4(1) of the Implementing Acts.

Persons wishing to report records of transactions may include:

- a. organised market places, trade matching systems, trade reporting systems;

- b. the ENTSOs;
- c. TSOs;
- d. LSOs;
- e. SSOs;
- f. trade repositories;
- g. approved reporting mechanisms;
- h. Third parties reporting on behalf of entities listed in points a. to g and i.;
- i. market participants, regardless of whether they report only their own data or also counterparty data or the data of parent and related undertakings.

It is important to note that in case of a reporting delegation chain (e.g. counterparty A delegates the reporting to counterparty B, which, in turn, delegates the reporting to C), only the entities submitting data directly to the Agency (C, in the example above) shall register as a RRM (for more information see Section 6.2.1 below).

## **6.2 Registration process**

The aim of the registration process is twofold:

- a. Verifying whether the applicant meets the RRM requirements; and
- b. Enabling the RRM and the Agency to establish an interface for information exchange.

For this reason, all reporting entities shall undergo the registration process.

As regards trade repositories and ARMs that only report data reportable under MiFIR or EMIR, the Agency will contact them to establish appropriate channels for the provisions of those data. Should trade repositories and ARMs wish to actively report MiFIR and EMIR data to the Agency and / or report data other than those reportable under MiFIR or EMIR, they shall register with the Agency. However, in line with Article 11(1), second subparagraph, of the Implementing Acts, the process for the registration of trade repositories and ARMs will be limited to the identification phase (see Chapter 6.2.1 below) and to the assessment of their ability to follow the procedures, meet the standards and submit the data in accordance with the electronic formats established by the Agency.

The registration process will be entirely electronic and carried out online. The various phases of the registration process are described below.

### **6.2.1 Identification**

This phase aims at verifying the identity of the applicant. Two different IT applications will be used; one for market participants and one for other applicants.

*Identification of applicants other than market participants*

Applicants other than market participants must identify themselves using the RRM Registration Tool. They will be asked to provide the following information:

- Name of the RRM,
- Address of the RRM,
- VAT Number of the RRM,
- Website address,
- EIC, BIC, LEI, GS1 codes if the RRM has any assigned to it,
- Contact persons.

Trade repositories and ARMs who actively report data to the Agency shall undergo the identification phase. If applicable, the Agency may also request some accreditations certificates issued by relevant regulators.

#### *Identification of market participants*

Pursuant to Article 9 of REMIT, all market participants shall register with their respective NRAs. The latter shall, in turn, provide the registration data to the Agency in order for it to establish a European register of market participants. Information on whether a market participant has the intention to register also as a RRM will be provided as part of the registration of market participants.

Those market participants that do not wish to become RRMs, shall indicate in Section 5 of the registration form to whom they permanently delegate the reporting of data. However, such indication will not be necessary when the delegated party is:

- The counterparty to the transaction, if the delegation applies only to reporting of that particular transaction;
- A TSO in charge of reporting transportation data pursuant to Article 6(2) of the Implementing Acts;
- The organised market place on which the wholesale energy product was concluded;
- ENTSOE as regards the data referred to in paragraphs (1) and (2) of Article 8 of the Implementing Acts;
- ENTSOG as regards the data referred to in Article 9(1) of the Implementing Acts;
- A TSO in charge of reporting data referred to in Article 8(3) and 9(2) of the Implementing Acts;
- A LNG system operator as regards the data referred to in Article 9(5) of the Implementing Acts;
- A storage system operator as regards the data referred to in Article 9(9) of the Implementing Acts.

It is noteworthy that, when filling in Section 5 of the registration form, market participants may delegate the reporting to multiple RRMs, e.g. for different data types.

## 6.2.2 Technical Specifications

Once the Agency has verified the identity of the applicant, the latter will be asked to electronically sign a non-disclosure agreement ('NDA'). This will allow the applicant to receive a copy of the "Technical Specifications for Registered Reporting Mechanisms". This document describes the technical specification of data exchange interfaces as well as the relevant processes for data submission into detail.

Applicants should carefully review the technical specifications document before considering whether to proceed further with the registration process.

## 6.2.3 Attestation

Applicants must attest that they have mechanisms in place to fulfil the following requirements:

- a. Requirements on the secure transmission of data (see Chapter 5.2 above);
- b. Requirements on the timely transmission of data (see Chapter 5.3 above);
- c. Requirements on the validation of input (see Chapter 5.4 above);
- d. Requirements on output format (see Chapter 5.5 above);
- e. Requirements on output content (see Chapter 5.6 above);
- f. Requirements on the validation of output (see Chapter 5.7 above);
- g. Requirements on governance (see Chapter 5.8 above)
- h. Requirements on operational reliability (see Chapter 5.9 above)

Furthermore, applicants must undertake that they will meet the following requirements:

- a. Requirements concerning the disruption of services (see Chapter 5.10 above);
- b. Requirements concerning security breaches (see Chapter 5.11 above);
- c. Requirements on communication with the Agency (see Chapter 5.12 above);
- d. Requirement to produce a Compliance report (see Chapter 5.14 above);
- e. Fulfilment of the criteria at all times (see Chapter 5.13 above).

During this phase of the registration process applicants must submit the relevant documentation proving compliance with the requirements, except if otherwise specified in this document. The Agency also reserves the right to request additional information.

## 6.2.4 Testing

Following the attestation phase, the applicant will be given permission to access the ARIS testing environment. The applicant will be required to report in the ARIS testing environment the same kind of data it wishes to report as a RRM via the interface(s) it wishes to use.

Following a request for testing by the applicant, the Agency may allocate time-slots for testing to different applicants. Priority will be given to those applicants that have to report data nine months after the entry into force of the REMIT Implementing Acts.

The Agency will set a criterion for success/failure of the particular test. The detailed description of the test and the success criteria is available in the "Technical Specifications for Registered Reporting Mechanisms". Shall an applicant fail to successfully complete the testing, it will have to

repeat the particular tests. The timeframe for additional testing may be subject to prior approval by the Agency. A maximum of three (3) trials will be possible and if the testing is still not successful the Agency may reject the application to register as a RRM. Only those applicants that successfully complete the testing will be admitted to the following phase and will be enabled to complete the registration process.

The RRM will be required to perform a minimum of two weeks of conformance testing which will cover the following areas:

1. Connectivity – perform connectivity and resiliency checks for the subscribed interfaces
2. Data Upload – perform basic upload of data based on a prescribed data set through the subscribed interfaces
3. Data Download – perform basic download of data receipts based on a prescribed data set through the subscribed interfaces
4. Valid Data Upload – upload a set of data produced from their own data source through the subscribed interfaces
5. Valid Data Receipt – download a set of data receipts produced based on the data uploads provided through the subscribed interfaces
6. Continual Delivery – provide a continuous set of data for a period of not less than 5 days, up to a maximum of 10 days, through the subscribed interfaces.

#### 6.2.5 Registration

The Agency will send to the applicant an email notifying that the registration of the applicant is accepted. The last remaining step is the creation of RRM credentials to access the ARIS production environment. Accounts for particular interfaces will be created and production digital certificates and keys for encrypted communication and electronic signature will have to be provided. At this point, the registration process will be considered as complete.

The list of RRM will be published on the Agency's website. However, during the registration process an applicant may request the Agency not to be included in the public RRM list.

The Agency does not accept legal responsibility for any losses or damages arising from the failure of the RRM systems and any related process and procedure. In particular, the Agency's high-level review of the business continuity and security policies of each applicant does not imply any endorsement, guarantee of quality or acceptance of responsibility for the adequacy of any applicant's business continuity or security systems.

#### 6.2.6 Timing

The registration process will take about three months. It is therefore essential for those entities that wish to become RRM to start the registration process at the latest three months before the date on which they wish to start reporting data.



## **7 Assessment of compliance with the requirements**

In accordance with Recital 10 to the Implementing Acts, the Agency's assessment should ensure a proportionate treatment of professional third parties handling market participants' data and market participants reporting their own data.

It is important to note that it is not possible for the Agency to state in advance of the registration process which policies / mechanisms are considered in compliance with the requirements. The assessment may vary depending on the type of data reported, on type of reporting entity (professional third parties handling market participants' data / market participants reporting their own data), on the size of data reported, on the number and variety of data sources and on other relevant factors.

The Agency may, at any stage of the registration process and during the lifetime of the RRM, request from applicants and existing RRMs any information it deems necessary to assess compliance with the requirements. This information may include, in particular, the internal policy and documentation referred to in Chapter 6 above. Furthermore, the Agency may consult NRAs or other competent authorities that may be able to provide any information the Agency may need for performing its functions. The Agency may also take into account any information it considers appropriate to assess compliance with the requirements.

The Agency may also request a RRM to provide the compliance report mentioned in Section 5.14 above. In addition, the Agency may require that such report is to be certified by an independent information systems auditor on the basis of an audit plan produced by the Agency.

The Agency believes that certified compliance reports are an effective way to assess whether a RRM complies with the requirements. The Agency intends to request such certified reports to a sample of RRMs every year. Priority will be given to those RRMs that raise the biggest concerns as regards compliance with the requirements.

Furthermore, should the quality of data reported by a RRM significantly decrease after the registration or should the compliance report not reflect full compliance with the RRM requirements, the Agency will give a warning to the RRM concerned. If adequate data quality standards and/or compliance with RRM requirements are still not met within the time-frame indicated in the warning, the Agency may, after a certain period of time, which shall not be shorter than six months, discontinue access to the ARIS system for the RRM concerned. The RRM for which the RRM registration was revoked cannot re-initiate the RRM registration process for a period of 12 months.

In case of third-party RRMs, the Agency will inform the market participant associated to the RRM before discontinuing access. This information will be provided at least six months in advance, in order to allow market participants to make reporting arrangements with another RRM.

In exceptional circumstances when the Agency would establish that a RRM is in serious breach of its obligations described in this document that could result in the significant risks to overall security, availability or operational reliability of ARIS, the Agency reserves the right to temporarily suspend access to ARIS until the breach is resolved and compliance with the RRM requirements is ensured.