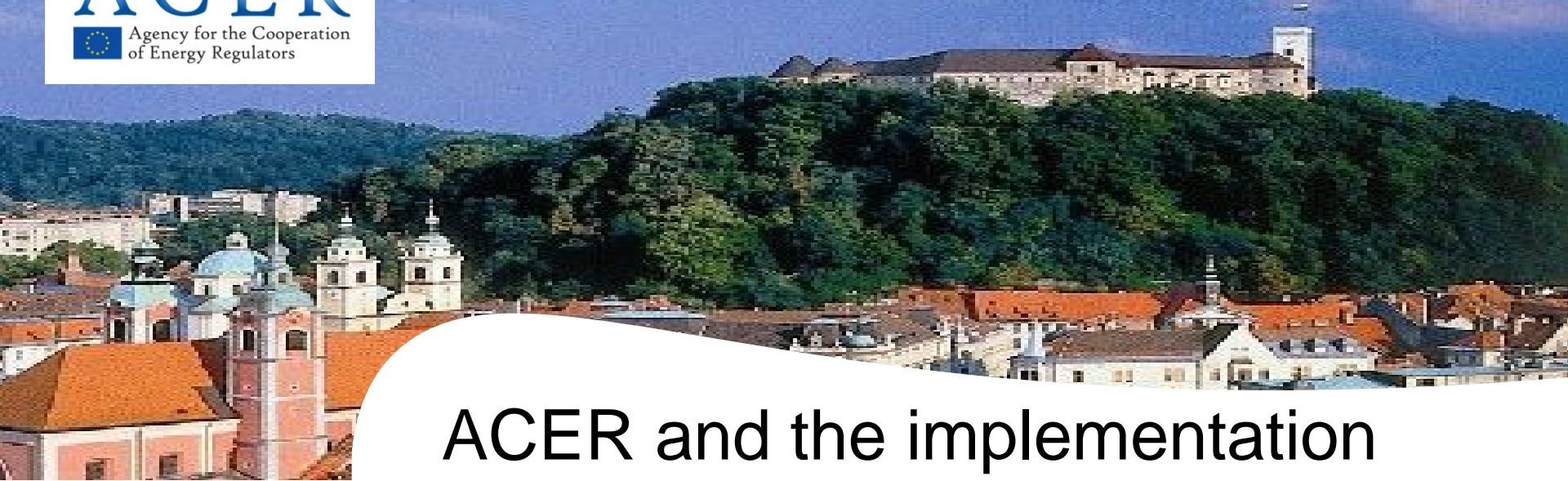


ACER

Agency for the Cooperation  
of Energy Regulators



# ACER and the implementation of REMIT

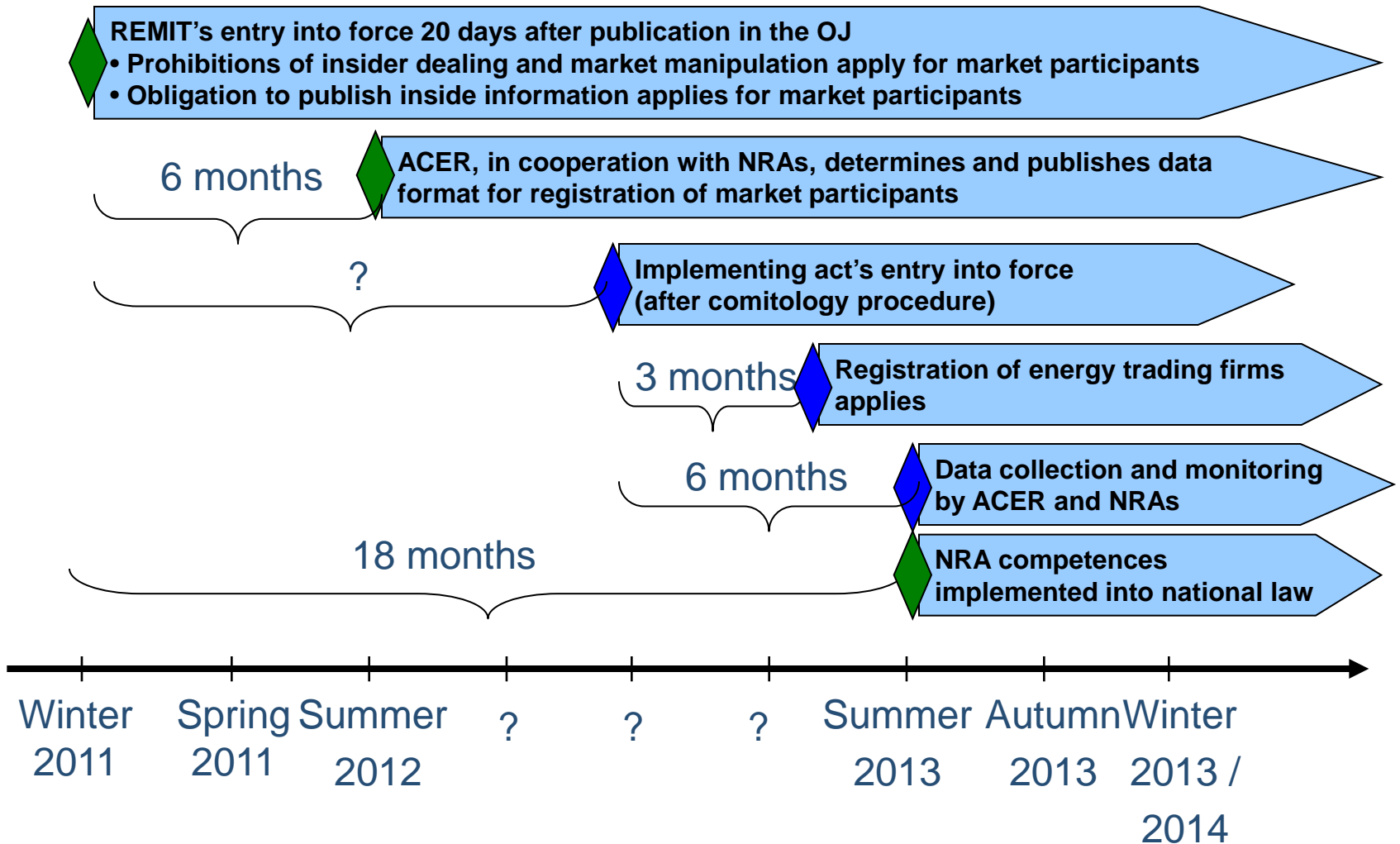
Volker Zuleger  
Seconded National Expert at ACER

Ljubljana, 28 November 2011

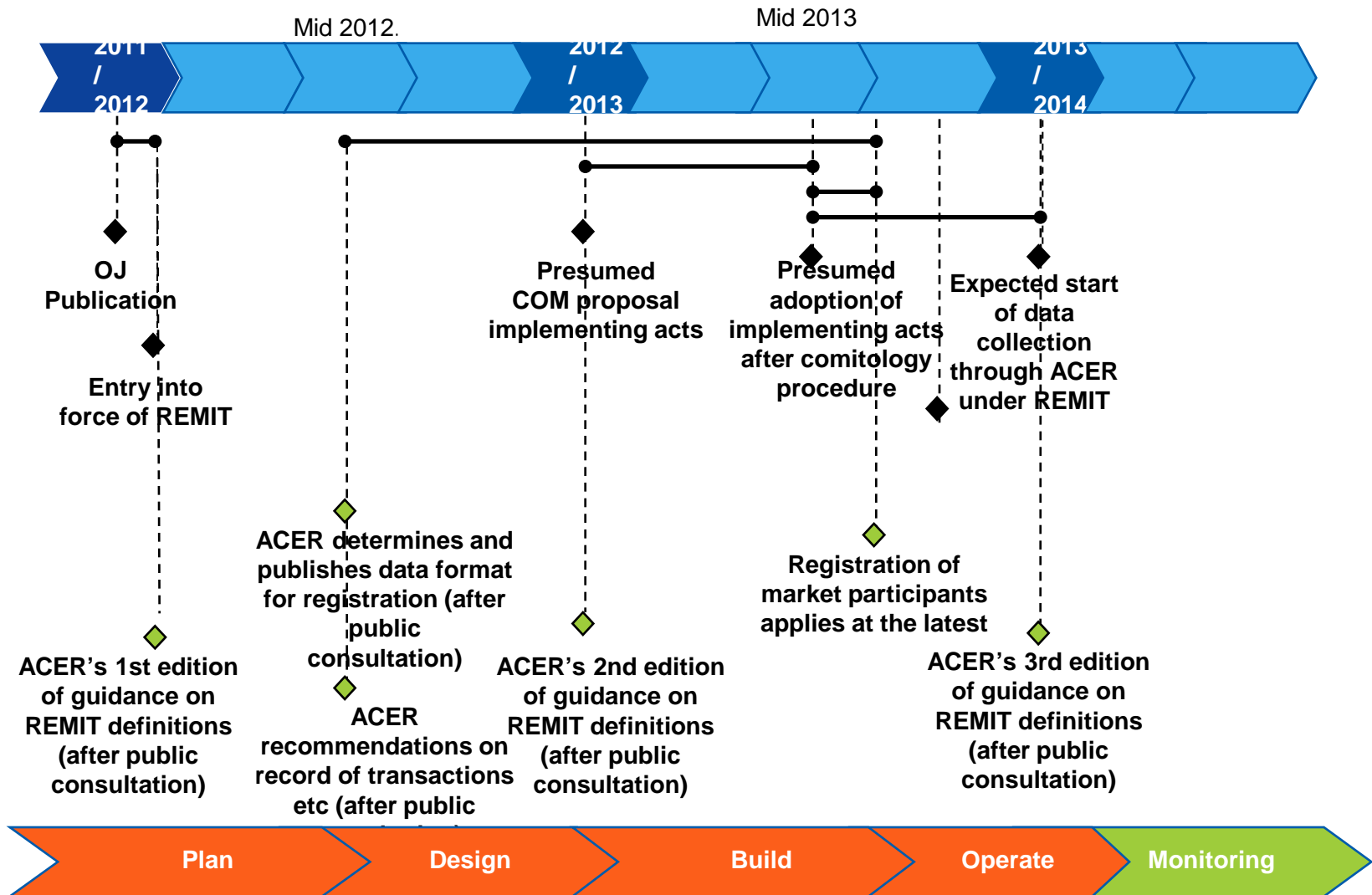
# ● Outline

- The way ahead
- Monitoring roles according to REMIT
- Data reporting and sharing
- Market oversight and cooperation
- Case proceedings

# Time line of REMIT's entry into force



# ACER milestones



## ● Outline

- The way ahead

- Monitoring roles according to REMIT

- Data reporting and sharing

- Market oversight and cooperation

- Case proceedings

# Monitoring roles according to REMIT

ACER	NRAs
<p>Shall monitor all trading activities in wholesale energy products to detect and prevent trading based on inside information and market manipulation.</p>	<p>Shall cooperate at regional level and with the Agency in carrying out the monitoring of wholesale energy markets.</p> <p>May also monitor trading activity in wholesale energy products <u>at national level</u>, cooperation with ACER and other NRAs at regional level→to detect trading based on inside information and market manipulation</p>
<p>Shall have the power, where, inter alia on the basis of initial assessments or analysis, it suspects that there has been a breach of REMIT</p> <ul style="list-style-type: none"> <li>a) to request information from NRAs</li> <li>b) to request to commence an investigation and to take appropriate action if applicable</li> <li>c) establish and coordinate an investigatory group with concerned NRAs in case of cross-border impacts</li> </ul>	<p>Shall without delay inform the Agency in as specific a manner as possible where they have reasonable grounds to suspect that acts in breach of REMIT are being, or have been, carried out either in that MS or in another MS.</p>

# ● Monitoring of wholesale energy markets and products

- REMIT applies to trading in wholesale energy products
  - » Defined in Article 2(4) – contracts for gas and electricity - commodity and transportation - including derivatives
  - » Exclusion of financial instruments covered by Market Abuse Directive from prohibitions on market abuse established by REMIT

## ● Definitions

- Definitions of inside information and market manipulation based on Market Abuse Directive
  - » Coherent with current financial regulation
  - » But tailored to gas and electricity markets
    - E.g. Inside information is a precise, non-public, price sensitive information which relates, directly or indirectly, to one or more wholesale energy products .



## ● Obligations

- Obligation of **market participants** to publish inside information „in an effective and timely manner“, with possible exemptions provided that either
  - » such omission is not likely to mislead the public, that the market participant is able to ensure the confidentiality of the information and does not make decisions relating to trading in wholesale energy products based on that decision,
  - » the market participant is a TSO fulfilling its tasks according to Regulations (EC) No 714/2009 or 715/2009 or
  - » sensitive information relating to the protection of critical infrastructure is delayed.
- Obligation of **persons professionally arranging transactions** to monitor and to notify potential breaches of market abuse prohibitions

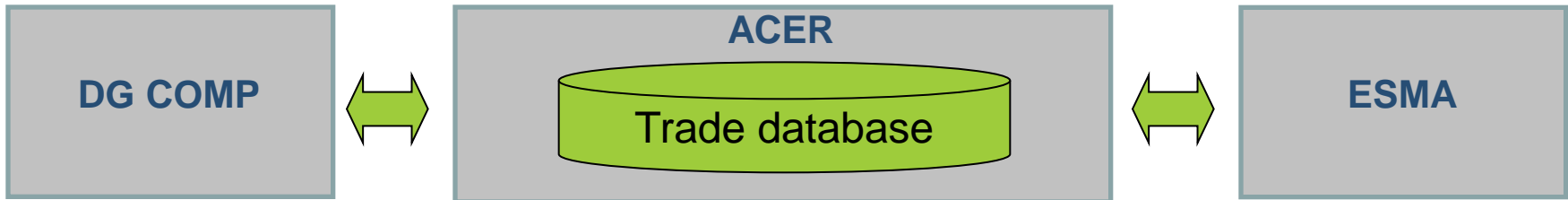
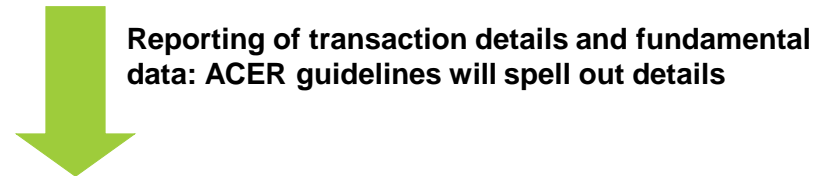
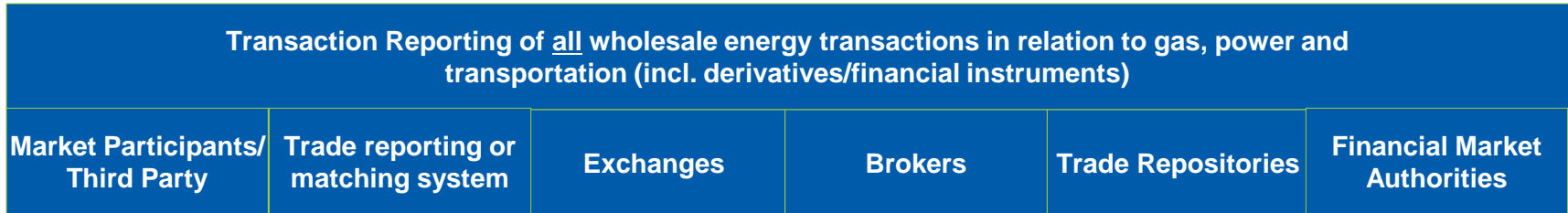
# ● Prohibitions

- Inside Information
  - » Prohibition on trading based on inside information
  - » Prohibition on recommending others to trade based on inside information
  - » Prohibition on disclosing inside information except
    - to persons who owe a duty of confidentiality
    - where it is part of complete and efficient public disclosure of the information.
  - » Covering a loss from unplanned outage possible, if supply obligation cannot be met otherwise
- Prohibition on market manipulation *and attempted market manipulation*
  - » Giving false signals of supply/demand or price
  - » Spreading false information

# ● Outline

- The way ahead
- Monitoring roles according to REMIT
- Data reporting and sharing
- Market oversight and cooperation
- Case proceedings

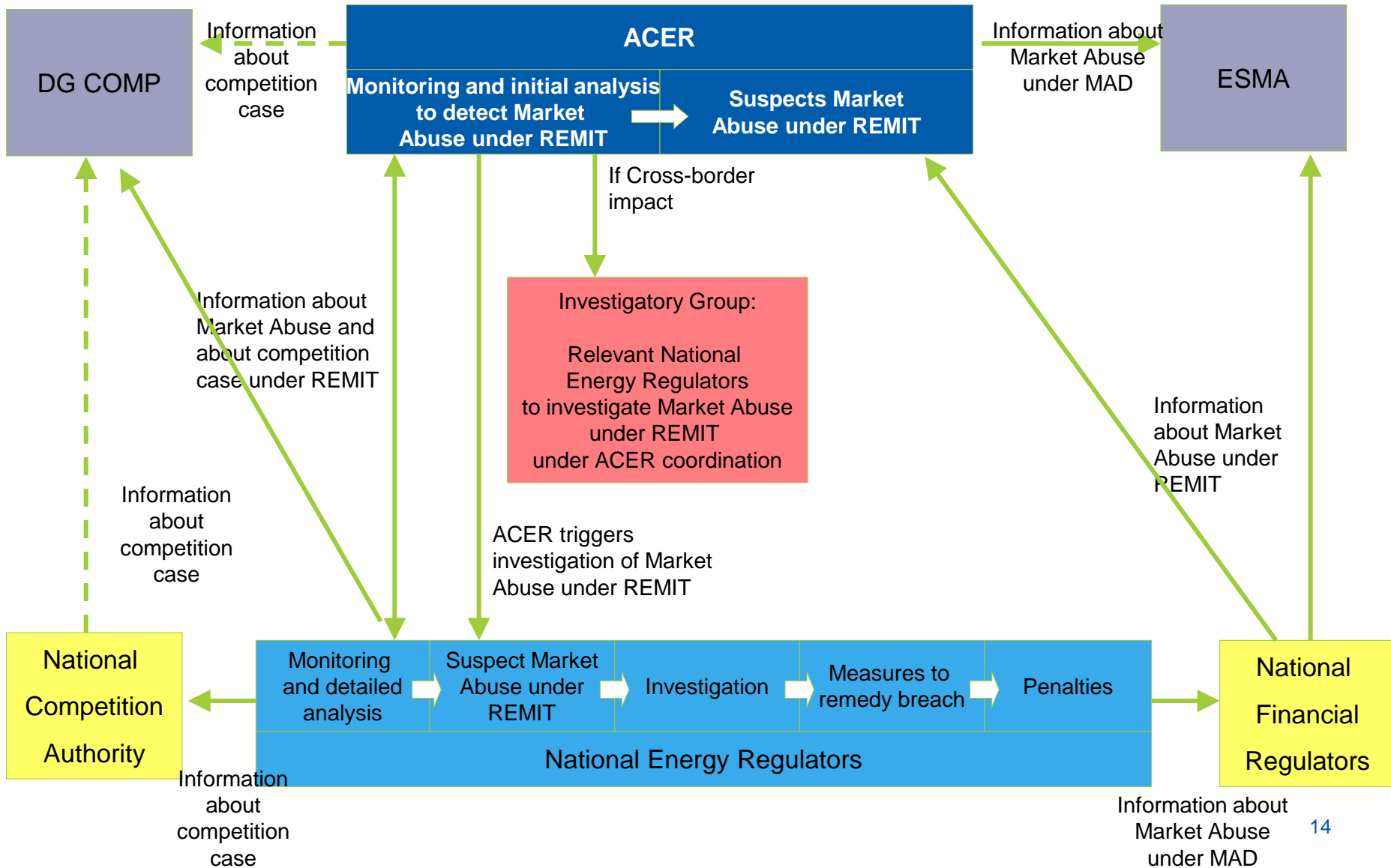
# ● Data Reporting/Sharing & Data Transparency



# ● Outline

- The way ahead
- Monitoring roles according to REMIT
- Data reporting and sharing
- Market oversight and cooperation
- Case proceedings

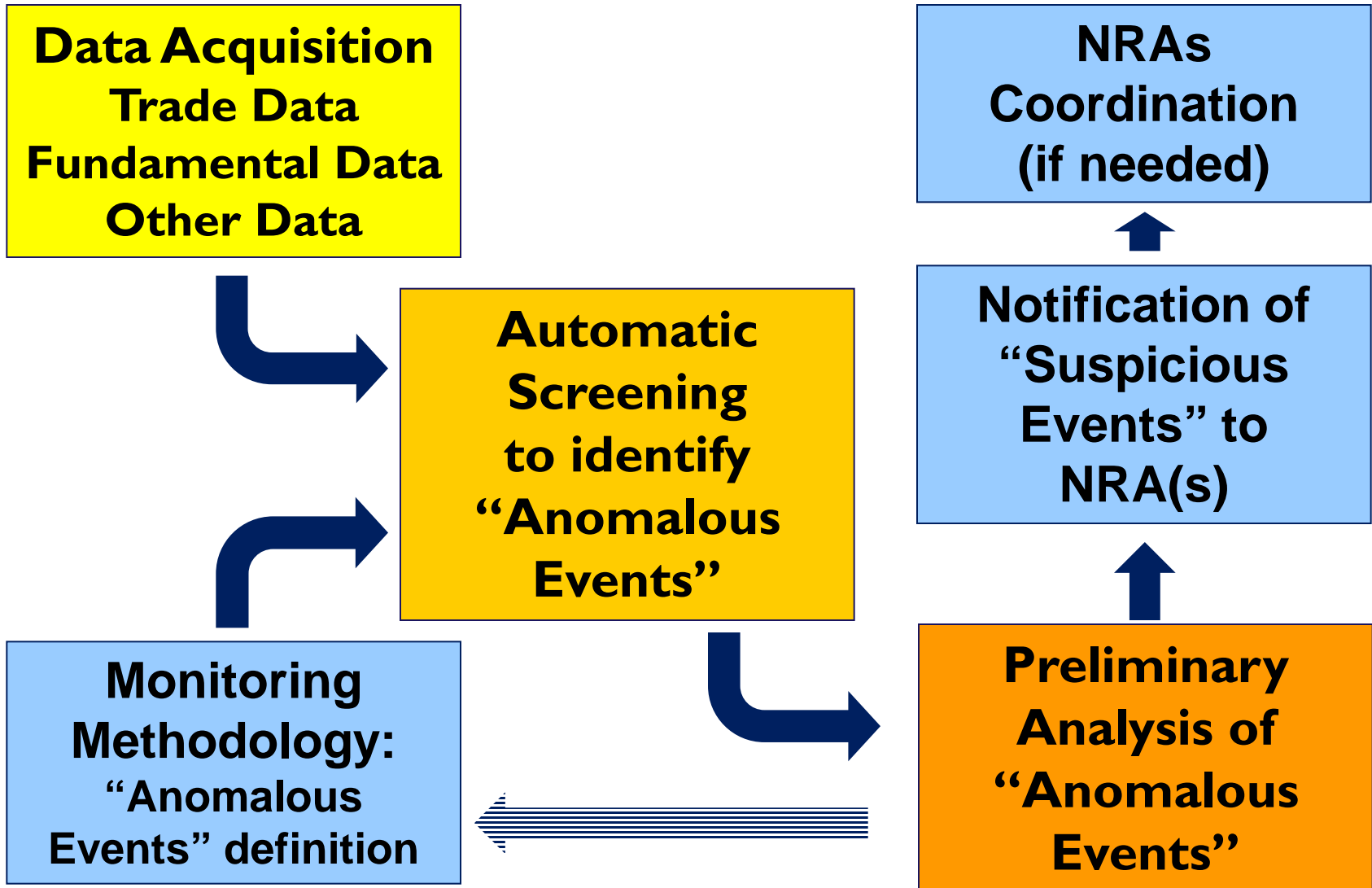
# Market Oversight & Cooperation



## ● Outline

- The way ahead
- Monitoring roles according to REMIT
- Data reporting and sharing
- Market oversight and cooperation
- Case handling and proceedings

# ● ACER Approach to Market Monitoring





# Thank you for your attention

**[www.acer.europa.eu](http://www.acer.europa.eu)**