Surveillance at ACER

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Outline

- Surveillance landscape

- Surveillance at ACER
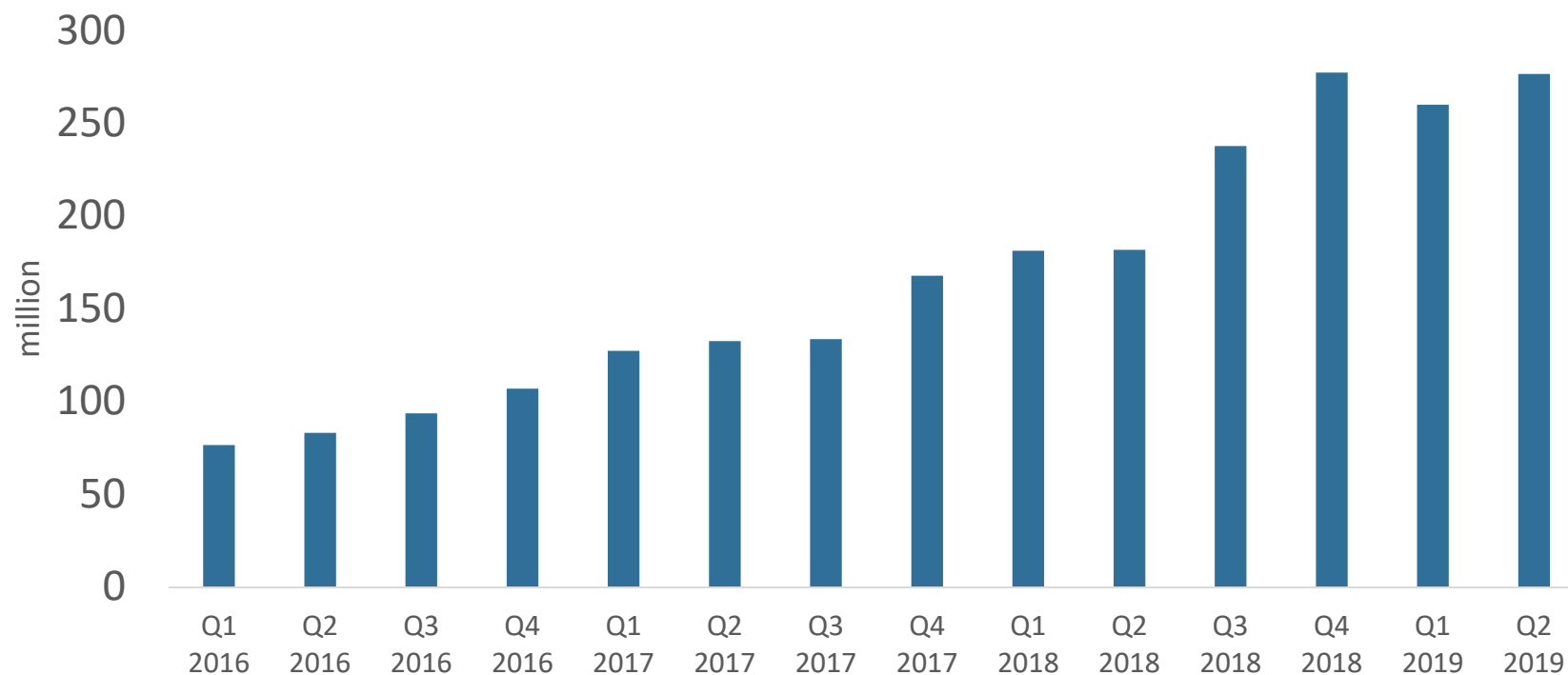
- Surveillance results

- Key messages

	2018	2019
Market Participants	13k+	14k+
Registered Reporting Mechanisms	100	120
Organised Market places*	70	83

Numbers are rounded for clarity

ACER
Agency for the Cooperation
of Energy Regulators

Number of reported orders and trades

Quarterly aggregation

Main developments 2018/2019:

- Improved functionality of surveillance tool
- Adapting to the market developments
- Improving data quality
- Decreasing the number of false positives
- Providing better information to the NRAs
- Detection of different behaviour types
- From manual towards automated surveillance
- Decision support tools beyond alerts:
  » Market participant Position report

Detection of various behaviour types:

- Wash trades
- Cross-border capacity hoarding
- Marking the close
- Manipulation of spread prices
- Front running
- Layering and spoofing
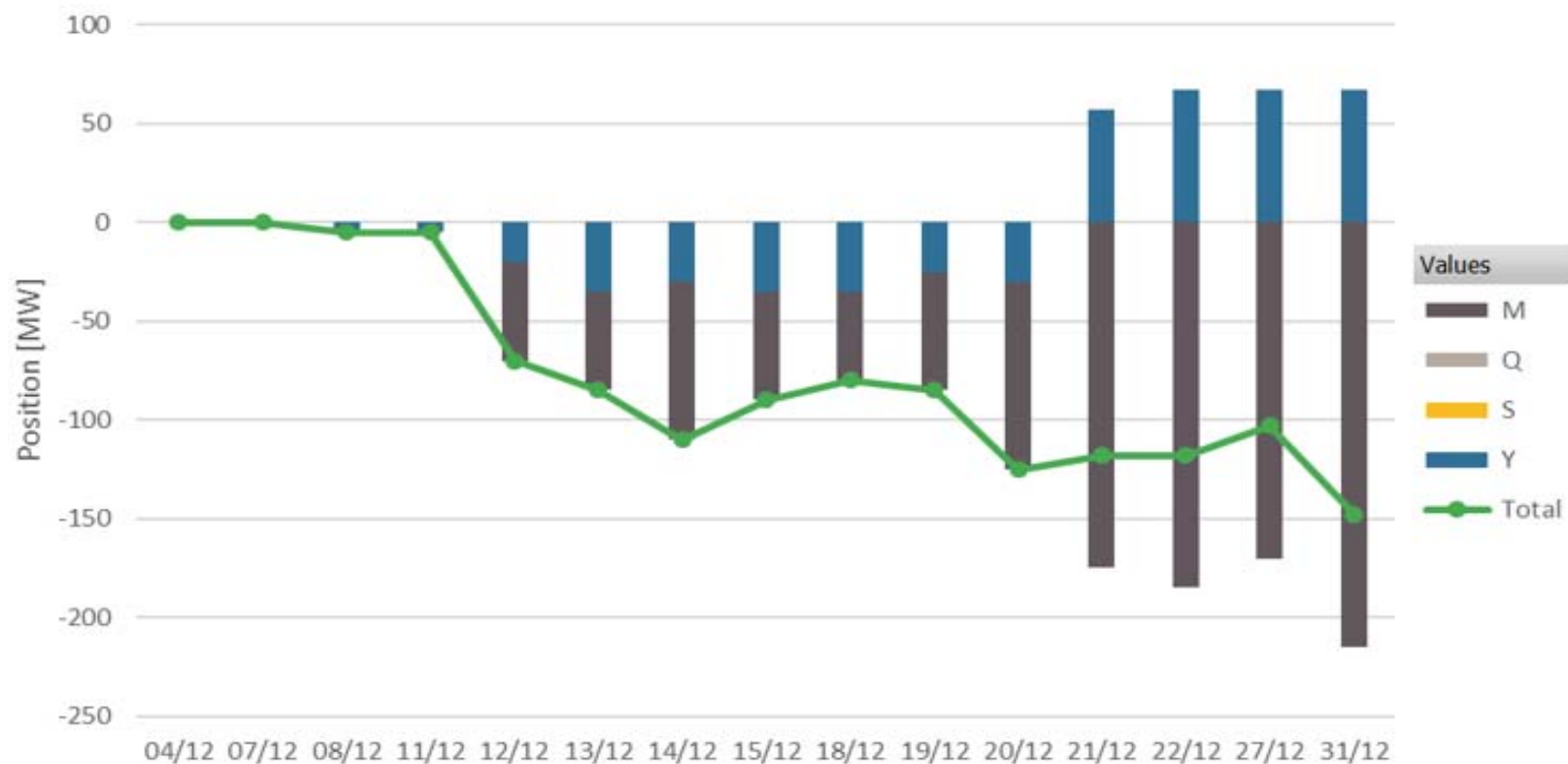- Manipulation of auction markets

From manual towards automated surveillance:

- Utilising limited resources better
  - » Development of Boolean assessment decision trees
  - » Quantification of indicators
  - » Flagging behaviour sub-types
- Statistical assessments
- Long term behaviour assessment
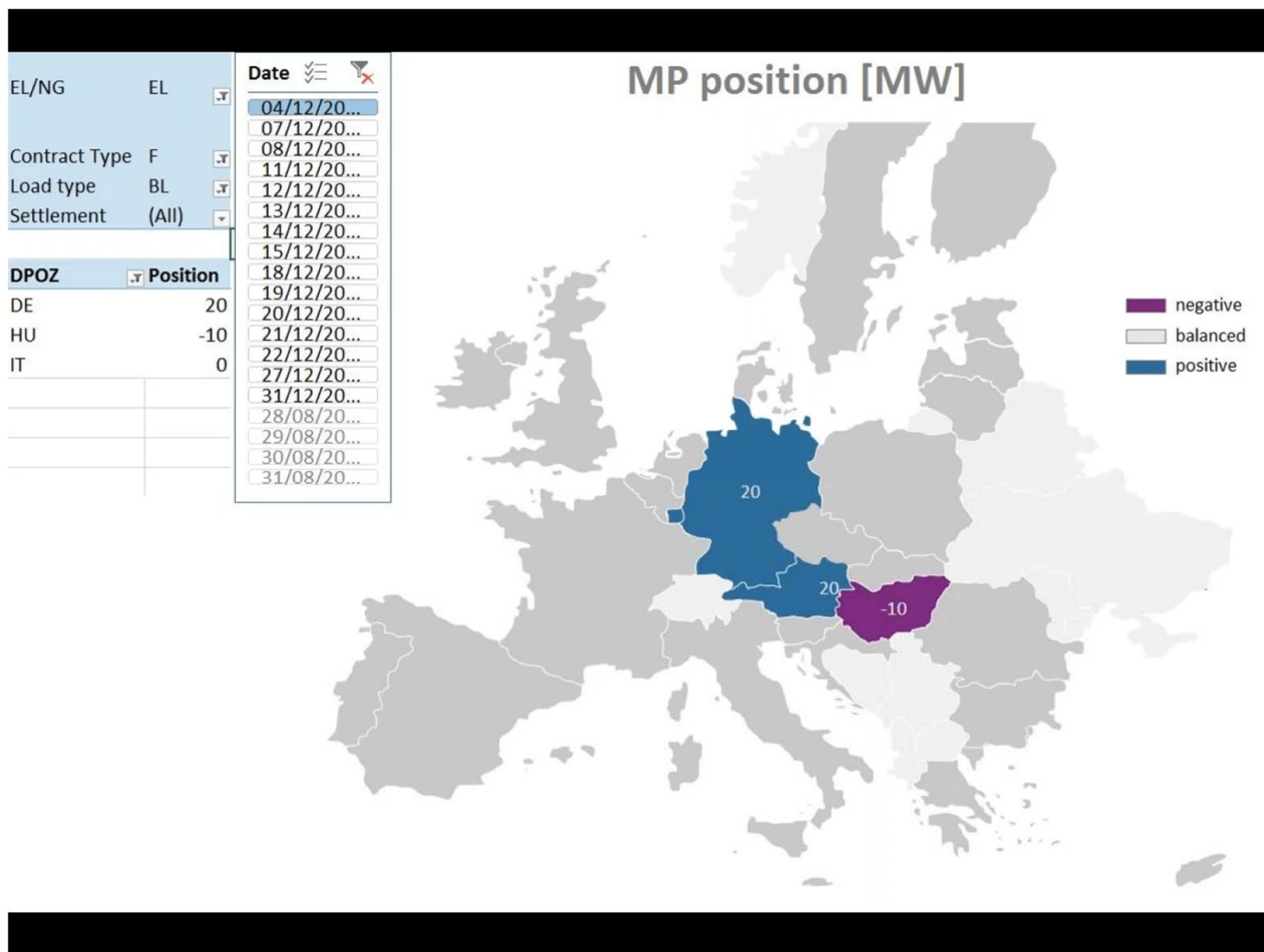- Improved prioritisation

Decision support tools - Historical overview

Market participant's position development with time

Decision support tools - Geographical overview
Market participant's position at any given trading date

- Alert sharing with NRAs
- Feedback sessions with NRAs
- Preliminary Initial Assessments
- Providing inputs on ACER guidance
- Knowledge sharing
- NRA support
- Building surveillance community

Monthly alert statistics

Autumn 2017 – Autumn 2019

Category	First 12 months	Second 12 months
Triggered Alerts	7,500	11,000
Manually Assessed Alerts	1,000	1,000
Shared Alerts*	70	55
Preliminary Initial Assessment	1	1
Surveillance analysts	6	5

Numbers are rounded for clarity

- As a central data collection entity the Agency is uniquely placed to perform surveillance on cross-border and cross-venue trading.

- Performing surveillance activities for two consecutive years.

- The Agency regularly shares alerts with NRAs.

- The NRAs have reportedly acted on the alerts received and in some cases opened investigations.

- Development of additional alerts for detecting abusive behaviour as defined by the REMIT regulation.

- Continuous improvement of surveillance methodologies and the way relevant information is visualised in order to improve alerting and to cope with the changing market landscape.

- The Agency is fostering the development of a surveillance community with NRAs and Organised Market Places.

- Cooperating with entities responsible for market design to enhance further awareness of market surveillance under REMIT.

Thank you for your attention!

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