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ACER Public Consultation on Manual of Procedures on Fundamental Data Reporting under REMIT

(Defining, in accordance with the REMIT Implementing Regulation, procedures,
standards and electronic formats for reporting of Fundamental data)

Evaluation of Responses

PC_ 2014_R_04

20 March 2015

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1 Introduction

In December 2011, the EU adopted a dedicated market integrity and transparency regulation for the gas and electricity wholesale markets with an EU-wide monitoring scheme: Regulation (EU) No 1227/2011 on wholesale energy market integrity and transparency (REMIT)¹. REMIT introduces a sector-specific framework for the monitoring of European wholesale energy markets, with the objective of detecting and deterring market manipulation.

In line with Article 8(2) and 8(6) of REMIT, on 17 December 2014, the European Commission adopted the Commission Implementing Regulation (EU) No 1348/2014² (hereafter referred to as ‘the **Implementing Acts**’) on the reporting of records of transactions, including orders to trade, and fundamental data.

Under Article 10(3) of the Implementing Acts, the Agency for the Cooperation of Energy Regulators (the “**Agency**”) shall after consulting relevant parties establish procedures, standards and electronic formats based on established industry standards for reporting of information referred to in Articles 6, 8 and 9 of the Implementing Acts.

On 24 June 2014, the Agency launched a public consultation on the draft of the first release of the Manual of Procedures on Fundamental Data Reporting (hereinafter referred to as the “**MoP**”). The public consultation aimed to collect the views from interested parties, in particular, ENTSO-E, ENTSO-G, TSOs, LNG System Operators (LSOs) and Storage System Operators (SSOs), on a draft of the first release of the Manual, which was attached as an annex to the Consultation Paper³.

The Consultation Paper described (i) the scope and purpose of the MoP and also (ii) included a number of consultation questions related to the draft of the MoP.

The public consultation launched by the Agency solicited feedback from various respondents on the draft of the MoP. The foreseen end of public consultation was planned on 1 August 2014, 12.00 noon, Central European Time (‘**CET**’). However, due to several requests from respondents, the public consultation was extended until 5 August 2014, 12.00 noon, CET.

The present document provides a summary of the comments received from respondents that will be relevant for the Agency’s first release of the MoP. Further, it also provides for an indication of how the Agency will take into consideration these responses in drafting the MoP’s first release.

¹ OJ L 326, 8.12.2011, p. 1-16.

² OJ L 363, 18.12.2014, p. 121-141.

³Please see a link to the public consultation document (PC_2014_R_04) http://www.acer.europa.eu/Official_documents/Public_consultations/PC_2014_R_04/Consultation%20Paper%20-%20Manual%20of%20Procedures%20on%20Fundamental%20Data%20Reporting.pdf

2 Respondents

The respondents to this public consultation represented the interests of individual market participants, as well as of European and international associations. The Agency received 12 responses, 8 of which provided by European or international associations and 4 by Market Participants from Germany, France, Spain and Norway. Annex 2 lists all respondents by their activity. Respondents belong to different EU and also non EU Member States and to Europe or international associations/institutions.

The following table shows the country/region of respondents participating in the public consultation.

Country/Region	Number of responses
Germany	2
France	1
Spain	1
Norway	1
Austria	1
EU-wide organisation	6

3 Responses received and ACER's view

As already explained in Section 1 above, the Agency raised several questions in the public consultation, namely what are views/comments on: (i) the purpose and structure of the draft MoP, (ii) the attached data fields for reporting of fundamental data, (iii) specific data field for Status (data field No 14), (iv) attached electronic formats, (v) specific data fields for Contract Reference/Type (No 13) and Status Code (No 14), (vi) the usage of existing industry standards and formats for the collection of fundamental data under REMIT and (vii) proposed timestamps.

The following Section 3 provides with an overview and an analysis of the responses received in the public consultation on the MoP, focusing on key issues raised by the respondents. Each

subsection below includes one consultation question and presents the *Respondents' feedback* and *The Agency's view*.

3.1 Please provide us with your general comments on the purpose and structure of the draft Manual, annexed to the consultation paper.

Respondents' feedback

General feedback on the MoP and public consultation

Majority of respondents welcomed structure and purpose of the MoP. Also, it was stated that the MoP provides the market participants with valuable information to build a correct and efficient reporting process of the fundamental data. Further, one respondent supported the Agency's plan to produce the MoP's first draft in summer 2014 in order to be ready with its final version when the Implementing Acts will be voted and adopted by the European Commission.

On the other hand, the Agency also received an opposite view with preference not to release the requirements on fundamental data reporting for consultation before the Implementing Act's final text. Also, a recommendation was raised to perform a further consultation after the Implementing Act's final version will be adopted.

Several respondents asked the Agency to align the MoP with a final version of the Implementing Acts, in particular, with regard to the LSO/SSO reporting. Finally, the respondents proposed that the scope for exact content, type and nature of the data to be reported need to be further clarified before discussing operational procedures and IT formats.

Hierarchy or REMIT rules, double reporting and industry standards

Several respondents asked for more clarity on the hierarchy of different documents prepared by Agency for REMIT implementation and pointed out the MoP should not go beyond the scope of REMIT and/or Implementing Acts.

Also, majority of respondents stressed that double reporting should be avoided and transparency platform of ENTSOE and ENTSO-E should be used as a main sources for fundamental data reporting. In addition, the respondents expressed their opinion that the Agency should rely, as much as possible, on existing industry standards and data formats for the collection of fundamental data.

The Agency's view

General feedback on the MoP and public consultation

The Agency welcomes a broad support for the MoP structure and purpose. As regards the public consultation's timing, the Agency believes that it was necessary to undertake public consultation before the final adoption of Implementing Acts. As the time period for reporting of certain fundamental data will start as of 7 October 2015, a potential public consultation carried out only after the Implementing Act's adoption will not provide market participants and other reporting entities with a sufficient time to prepare their IT systems for data reporting.

Furthermore, the Agency points out that the respondents provided it with a valuable feedback on reporting of all categories of fundamental data. After the end of public consultation, the Agency continued with bilateral discussion on fundamental data reporting with several respondents e.g.: ENTSO-E, ENTOSG and GIE. As a final step, the wording of MoP was amended according to the final version of the Implementing Acts.

Hierarchy or REMIT rules, double reporting and industry standards

The Agency supports the request to provide more clarification on hierarchy of different documents prepared for REMIT implementation. As a part of public consultation on TRUM⁴, the Agency received a request that the MoP should also encompass certain information on transaction reporting. As the several section of the MoP are also applicable for transaction reporting (e.g. data quality, data integrity, operational reliability and submission channels), the Agency decided to broaden the scope of MoP and laid down rules and schemas for both fundamental and transaction data.

The Agency agrees with a request to avoid double reporting of market participants, however, believes that the MoP requires from market participant only reporting of data defined in line with the Implementing Acts.

As regards the use of industry standards, the Agency is of the view that industry standards were accepted subject to the strict security and cost related criteria applicable for data reporting.

3.2 Please provide us with your views on the attached data fields (see Annex I of the draft Manual) for the reporting of fundamental data.

Respondents' feedback

⁴ Public consultation on TRUM is available here: http://www.acer.europa.eu/Official_documents/Public_consultations/Pages/PC_2014_R_05.aspx

In general, the respondents proposed to the Agency several comments/modifications for different types of data fields. Also, the Agency received a positive feedback on the compact form of data fields presented in the draft MoP.

In relation to the electricity fundamental data, one respondent provided the Agency with detailed comments on reporting of fundamental data for electricity attached in Annex I.1 and I.2 of the MoP.

Several respondents representing LSOs asked to provide more details on: (i) the type and nature of the individual, non-aggregated data, (ii) exact timing for reporting obligations and (iii) data on LNG users. Respondents representing SSOs requested to clarify reporting of storage data reporting and include data on details relating to the terminals technical capacity.

The Agency's view

The Agency welcomes a broad range of comments and proposals received on different types of data fields. In several cases, the Agency contacted the respondent in order to discuss in more details the proposed amendments. Also, as a result of the Implementing Act's adoption, the Agency reviewed the proposed amendments and aligned data fields included in the Annex I of the MoP. In general, the reasoned requests on modification of data fields were accepted in the MoP final version.

3.3 As regards the data fields for electricity and gas nominations (see Annex I of the draft Manual), please notice that a data field for Status is included for gas (data field No 14), but not for electricity. Please provide us with your views whether this data field is relevant also for electricity nominations, and if so, whether existing Industry format could be updated accordingly.

Respondents' feedback

In general, the respondents stated that the Status data field does not have an added value for electricity market surveillance and is only relevant for gas market surveillance. Some respondents also claimed that Status data field should either appear for both electricity and for gas, or for neither. Finally, a majority of replies proposed to restrict the choice for the Status data field only with options 'Provisional' and 'Definitive'.

The Agency's view

The Agency believes that the Status data field is useful and appropriate for gas nomination data. In this light, the Status data field was not added as a new field for electricity

nomination data fields. Furthermore, the Agency accepted the restriction of choice for this field with following two options: 'Provisional' and 'Definitive'.

3.4 Please provide us with your views on the attached electronic formats (see Annex II of the draft Manual) for the reporting of fundamental data.

Respondents' feedback

Respondents generally provided a positive feedback on the Agency's intention to use the established and well known industry electronic formats. There was a recommendation to align the name of the XSD schema in the Manual with the existing standards. LSOs and SSOs commented that XML format is not always used for business purposes. Reporting via web service was highlighted by one respondent.

The Agency's view

The Agency welcomes that the existing standards will be used for fundamental data reporting. The discussion with Industry about ALSI and AGSI schema is still an on-going process.

The Agency's REMIT Information System (ARIS) has three communication channels through which data can be submitted by external systems. These communication channels are Interactive Web Portal, Secure File Transfer Protocol (SFTP) and Web Service.

3.5 The attached electronic formats for the reporting of gas nominations do currently not reflect the data fields for Contract Reference/Type (data field No 13) and Status Code (data field No 14). Please provide us with your views as whether these data fields should be required and thus if the XML schemas should be aligned accordingly.

Respondents' feedback

- Both opinions have been collected. Some respondents proposed that these data fields should be also required for the reporting of gas nominations. Other respondents proposed to delete the *Contract Reference/Type* field. Suggestion for restricting the Status Code to "Provisional" and "Definitive" was expressed.

Another respondent pointed out that the natural gas specification is not necessary as currently everywhere in Europe the same gas standards are in force. The respondent does not see how this information could be necessary to prevent Insider Trading. In its view, the gas nominations should contain: the nominated quantity, the flow direction and the counterpart.

The Agency's view

- Respondents haven't provided strong support and justification for the field Contract Reference/Type. The field Status Code has been defined in various Edigas Schemas (including Nomination and Matching Process). The field with possible values 'Provisional and Definite' is required, however it is an optional field as it may not apply to all data types. Recommended values (nominated quantity, flow direction and the counterpart) have been already incorporated.

3.6 In order to avoid unnecessary costs or administrative burdens on reporting entities, the Agency intends to rely as much as possible on existing industry standards and data formats for the collection of fundamental data under REMIT. For the purpose of ensuring operational reliability, the Agency however reserves the right not to take over all future changes of such standards and data formats introduced by the industry. Any future changes of existing standards and data formats shall therefore be agreed between the Agency and relevant industry organisation, before applying for the purpose of REMIT reporting. Please provide us with your views on the above approach.

Respondents' feedback

Consensus on this approach was reached. Choosing a format induces some irreversibility for IT systems. Any change of currently used format should be agreed upon by all reporting entities.

XML are an extended and reliable practice within the industry and should therefore be permitted by ARIS platform. It was recommended that only changes that affect the operational reliability of regulatory reporting should be agreed between the Agency and the relevant industry organization.

The Agency's view

The Agency welcomes the mutual understanding on the format and standard changes. Any future modifications shall be consulted between the Agency and the relevant industry organisation prior to their deployment.

3.7 In order to assess insider trading, the Agency would consider necessary to have the following timestamps reported in sufficient level of detail:

- **Time of the event (the time of occurrence of e.g. an outage of a power plant);**
- **Time of reporting to the public (the time when e.g. a market participant reported the outage to a platform for publication, or ,in case of a nomination, the time when market participant nominated to a TSO);**
- **Time of publication (in the case of inside information, the time when the inside information was first disclosed to the market;**
- **Time of reporting to the Agency**

The Agency considers that some formats as now specified, may not currently support the above requirements clearly enough. The Agency is considering to add such timestamps as data fields where not yet present. Please provide us with your views on the impact of adding such data fields to the present formats.

Respondents' feedback

For nominations:

- (i) The time of the event: can be the time of the matching process that is fixed and available in the allocation rules;
- (ii) Time of reporting to the public: is not available in the operational processes themselves at this stage and cannot be reported;
- (iii) The Time of publication: is not relevant for nominations as no individual nominations are published;
- (iv) Time of reporting to the Agency: timing timestamps included in the standard (creation date time) represents the creation date and time of the report to the Agency and corresponds to the requested "Time of reporting to the Agency".

For outages:

- (i) The time of the event: is the ‘start date time’ of the outage already included in the reporting file;
- (ii) Time of reporting to the public and (iii) the Time of publication are the same as the publication is instantaneous in the EMFIP platform;
- (iv) Time of reporting to the Agency: is the file’s creation date.

Other respondents expressed consent with adding such data fields to the present formats, provided that there is a level playing field across the Europe. A concern that it is not clear what the difference between “Times of reporting to the public“ and “Time of publication” is was raised. These timestamps were considered to contain the same values and should be merged to one timestamp.

The Agency’s view

The received feedback was unanimous. The Agency will follow the existing practises.

3.8 Other issues raised by the respondents

Respondents’ feedback

Security and technical requirements of reporting

Several respondents highlighted that data required are commercially sensitive information. For this reason, the procedures insuring that the safety and confidentiality of data transmission will be preserved should be duly documented.

In addition a group of respondents claimed that technical and organisational requirements for the fundamental data reporting should be made public otherwise it is unclear what will be the effective impact on IT systems of reporting entities.

In relation to the communication tools, one respondent requested using MADES standard as an additional communication tool between ARIS and other platforms (e.g. ENTSO central transparency platform).

The Agency’s view

Security and technical requirements of reporting

Security of data and potential commercially sensitive information is always considered as a priority for the Agency when defining its policies and making decisions. Further, the Agency is fully aware of the fact that inappropriate disclosure of information could cause a harm to market participants.

Therefore, appropriate security measures and technical requirements are prepared for entities that will report data to the Agency. Market participants are welcome to see the Requirements for Registered Reporting Mechanisms (RRMs) accessible at REMIT portal <https://www.acer-remit.eu/portal/document-download?documentId=2616> .

As for data submission channels, the Agency believes that three channels currently prepared for data submission i.e. (i) Interactive Web Portal, (ii) Secure File Transfer Protocol (SFTP) and (iii) Web Service; present a sufficient scope of communication channels between the Agency and reporting entities.

Annex 1 – ACER

The Agency for the Cooperation of the Energy Regulators (ACER) is a European Union body established in 2010. ACER's mission is to assist National Regulatory Authorities in exercising, at Community level, the regulatory tasks that they perform in the Member States and, where necessary, to coordinate their action.

The work of ACER is structured according to a number of working groups, composed of ACER staff members and staff members of the National Regulatory Authorities. These working groups deal with different topics, according to their member's fields of expertise.

Annex 2 – List of respondents

No.	Respondent	Type	Country
1.	ENTSO-E	Industry association	EU
2.	EFET	Industry association	EU
3.	Tennet	Market Participant	Germany
4.	Eurelectric	Industry association	EU
5.	GIE	Industry association	EU
6.	EDF	Market Participant	France
7.	Enagas	Market Participant	Spain
8.	ENTSOG	Industry association	EU
9.	Eurogas	Industry association	EU
10.	BDEW	Industry association	Germany
11.	Statoil	Market Participant	Norway
12.	OE	Industry association	Austria



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