

## Implementing REMIT can save millions of euros to EU consumers

Ljubljana, 10 June 2014

**“As EU energy markets continue to integrate, it is important that customers can be confident that the prices they pay are not unduly distorted, but that they reflect the proper interplay of demand and supply”** said EU Energy Commissioner Günther Oettinger in his address to the Annual Conference of the EU Agency for the Cooperation of Energy Regulators (ACER), held today in Ljubljana. This is the aim of REMIT, the EU Regulation on wholesale energy markets integrity and transparency, which establishes a new, unprecedented, sector-specific market monitoring framework to detect and prevent market abuse in European wholesale energy markets, where energy should be traded according to the highest transparency and integrity standards. The experience of the Federal Energy Regulatory Commission (FERC) – ACER’s counterpart in the United States when it comes to market monitoring – can give an idea of the kind of return which could be achievable from investing in REMIT. In 2013 FERC concluded several market abuse investigations, including two high-profile cases which resulted in unjust profits in the order of US\$ 160 million being identified.

During the Conference the importance of guaranteeing the confidence of consumers in the energy markets and the need for appropriate funding of ACER for the successful implementation of REMIT was highlighted. “Market participants and energy consumers must be able to have full confidence on the integrity and transparency of European energy markets. It is absolutely critical that the Agency and National Regulatory Authorities have the skilled resources necessary to deliver on these expectations and to avoid any risk of market abuse going undetected”, said Lord Mogg, Chairman of the ACER Board of Regulators, which reunites representatives from all NRAs in the Member States.

### **REMIT implementing acts ready in autumn, announces Commissioner Oettinger**

“I want to make sure that the REMIT framework is completed under my term and that the Commission adopts the Implementing Acts in autumn this year”, said EU Energy Commissioner. The Implementing Acts will enable ACER to collect information in relation to wholesale energy transactions and market fundamentals, analyse it and report suspicious events to the competent NRAs to investigate the matter further and, if required, impose sanctions.

The full implementation of REMIT is vital to guarantee well-functioning markets to the benefits of European energy consumers. Even more importantly now that the single market is being completed through rules directly applicable throughout the Union and other developments such as a single day-ahead market for electricity, which operates from the Iberian Peninsula to Scandinavia and a common platform for allocating cross-border gas capacity on a growing number of interconnection points.

### **Progress achieved so far**

Despite the formidable challenge of implementing a legislation, on which there is still little experience worldwide, ACER has been working steadily on the implementation of REMIT since it entered into force in December 2011, with the invaluable collaboration of National Regulatory Authorities and energy stakeholders. By the end of June the Agency will launch the platform to support the Centralised European Register of Market Participants. The development of the IT system for the collection and analysis of trade and fundamental data is also progressing fast. Today ACER also published [ACER’s Annual Report on its activities under REMIT in 2013](#).

Around 200 participants attended ACER's 3<sup>rd</sup> Annual Conference. The opening address was delivered by the Slovenian Minister responsible for Energy, Mr Samo Omerzel. Following his intervention, the Greek and the Italian Ambassadors to Slovenia, Mr Athanasios Kallidopoulos and Mrs Rossella Franchini Sherifis explained the priorities of the current and upcoming Presidencies of the Council of the EU in the field of Energy. Other high level speakers at the Conference included Verena Ross, Director of ESMA, (the European Securities and Markets Authority); David Applebaum, Deputy Director of the Division of Investigation at FERC; representatives of the Energy consumers' associations and market participants as well as experts in market surveillance. The sessions were moderated by ACER Director, Alberto Pototschnig; Lord Mogg, Chair of ACER Board of Regulators; Mr Piotr Wozniak, Vice-Chair of ACER Administrative Board; and Prof. Pippo Ranci, Chair of ACER Board of Appeal.

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