



E.ON AG

Avenue de Cortenbergh, 60
B-1000 Bruxelles
www.eon.com

Contact:

[Redacted contact information]

**E.ON Position on ACER consultation on
Technical Standards for Trade Reporting**

PC_2013_R_02, 22 March 2013

Düsseldorf, 7 May 2013



E.ON welcomes ACER's public consultation on REMIT Technical Standards for trade reporting and believes this process will contribute to the definition of a conducive framework for setting up the necessary practical and operational arrangements for compliance in implementing REMIT transaction reporting requirements.

E.ON would like to stress the need to avoid unnecessary burdens for market participants, as some operational and practical arrangements (from software to fees or changes in the operative procedures), could represent additional costs for companies, or trigger burdensome administrative procedures.

In such a perspective, due consideration should be given to those options that offer alternative, less expensive and equally effective solutions for companies, always with the aim of ensuring that a robust and reliable system for transaction reporting and data management is put in place.

Full consistency between REMIT and EMIR reporting requirements is necessary, especially now that EMIR obligations for non-financial counterparties have entered into force for OTC derivatives. The envisaged technical requirements should therefore aim at harmonizing reporting frameworks under financial Regulations (MiFID and EMIR) and avoiding any risk of double reporting.

Consultation questions

On the Standards and formats for reporting

Question 1

Do you agree that for the reporting of energy derivatives, the same standards applicable to the values taken by each field of information should apply under REMIT as under MiFID and EMIR? (For example ISO Currency standard identifiers for Currency information, ISO Country Codes for Country information, etc.).

Yes, it is desired to apply the same standards under REMIT and EMIR. This reduces the additional efforts to be taken in master data management. Additionally it would be desired also to use the same technical standards for data transmission. Both aspects are addressed by the upcoming eRR standard which is currently elaborated by EFET.

Question 2

What single standard and single format do you think the Agency should recognise:
a. For reporting of transactions from organised market places that are exchanges



- b. For reporting of transactions from organised market places that are not exchanges
- c. For reporting of transactions through confirmation services
- d. For reporting of electricity nominations / scheduling
- e. For reporting of gas nominations / scheduling

We are not sure, if comprehensive and appropriate standards and formats currently exist. However, preferred is to work in close cooperation with the standard and format development of EMIR on content and technical implementation. In general, E.ON supports the enhancement of the CpML standard proposed by EFET, which does already cover electronic confirmations (point c) and would be suited for point a and point b as well. As far as nominations are concerned (point d and point e), current ETSOG/ETSOE standards are probably a better starting point for reporting of nominations.

Question 3

The Agency has identified a set of common standard codes which it proposes being used in the new reporting framework (see Annex I). Do you think these standards are the relevant ones?

Yes, the standard codes described there are suitable. ISIN standard is preferred compared to aii for product codes.

Question 4

If a format is recognised by the Agency, what governance provisions should the Agency require to ensure the quality persists?

Any format selected for trade reporting should be governed by:

- Sufficient lead times for setting changes live (at minimum 6 months after publication of change)
- Market consultation phase to discuss proposed changes in advance of decisions
- E-Mail notification service on proposed changes to market participants and other institutions (registration for mail notification)
- Publication of actual standards, decided changes incl. dates when they come into force and proposed changes via internet for download

**Question 5**

Do you have comments on these standards?

No further comments

Question 6

What are the practical implications of the use of these standards and formats for the energy industry?

Any standard which has to be implemented for the whole or parts of the transaction portfolio requires lead time for implementation and will incur costs.

Question 7

Are there other formats and standards the Agency should consider for recognition?

Not yet known

On the taxonomy**Question 8**

Do you think that the taxonomy proposed in Annex II is the relevant one?

Yes, the considered dimensions are seen as relevant. Standard power/gas transactions can be categorized, of course categorization of off-standard transactions is only partially or not supported.

Question 9

Do you think the first criteria on the delivery market (as country) should rather be the delivery zone or bidding zone?

It seems, that "delivery zone" is the more general attribute and should be selected

Question 10

Does the taxonomy represent your view of the structure of the wholesale energy markets relevant to REMIT? For each dimension, are the categories given exhaustive? If not, please offer suggestions.

- Transaction type:
 - For options and spreads the taxonomy is high level, not clearly categorizing option type (put/call) and spread type (time/location).
 - "Transportation" or "Capacity" to be considered as category under transaction type
 - "Intraday" to be considered as category.
- Duration:
for the duration beside the proposed categories the starting point of delivery needs to be provided to allow distinction between different calendar years or weeks/months of a year

In general a clear description of the categories should be provided to avoid any misinterpretation.

Question 11

Should Regulated Information (Transparency/Inside Information) be categorised using at least the first two criteria of the taxonomy?

In our opinion the identification of the relevant market (e.g. country code) and the concerned commodity (electricity and gas) are sufficient to categorize transparency and inside information.

Question 12

Would you suggest any simplifications or additions to the taxonomy?

Nothing else, than already mentioned above.