

Response by EnBW Trading GmbH to ACER public consultation on Technical Standards for Trade Reporting (PC_2013_R_02)

On the Standards and formats for reporting

I. 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, we fully agree that it is absolutely essential to avoid the implementation of differing standards under the various regulatory provisions. If this is not given, we see the significant risk that it will be very difficult (if not impossible) to ensure to comply as market participant with the various requirements. Certainly, any different standards would not only increase the costs to adapt the relevant IT-systems accordingly, but would also generate additional potential for errors. Thus, we fully support any approach that ensures that the same standards are applicable to the values taken by each field of information under REMIT and particularly EMIR (but also MiFID). Furthermore, in case of additional national initiatives (which we see critical), these should ideally also strictly follow the defined unique standards under REMIT.

II. 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 believe that ACER should ensure that the standards for formats are XML-based. Further, we think that for the reporting of transactions there should ideally just one standard be defined (irrespective of how the actual reporting is done; e.g. directly by the market participants or via organised market places or confirmation services. This ensures that it will minimise implantation costs as well as potential sources of errors.

III. 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?

As mentioned before, we are of the strong opinion that the usage of standard codes must be aligned with the respective requirements under EMIR; thus there needs to be a clear coordination process between ACER and ESMA. The key objective should be the avoidance of any additional/double burden for market participants. So ideally, there should be the same codes being used for REMIT reporting as foreseen for the EMIR reporting requirements. Generally, the proposed codes in Annex I are suitable (if alignment with EMIR is ensured) and can also be applied for cases where EMIR does not define specific standards (e.g using the EIC-code). Furthermore, we also propose to use LEI to identify counterparties under REMIT reporting as it will be done under EMIR.

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

We believe that it is absolutely essential that the Agency sets up a transparent change process where market participants are involved as early as possible. Any changes should be released (only) by the Agency after market consultation (possibly accompanied by expert workshops). In any case it is very critical to provide for sufficient lead time for market participants in order to implement any possible adoptions to the existing IT-systems.

Generally, we propose to set up a test environment before going live with the transaction reporting. Also, it seems sensible to consider a phased approach, starting with standard products and non-standards (possibly key economic data fields) following at a later stage.

V. Do you have comments on these standards?

As mentioned before, we believe that it is absolutely necessary to align as many requirements under REMIT as possible (including standards) with other regulatory reporting requirements, especially with the respective EMIR provisions.

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

We think that the realisation of the technical information exchange will be positively facilitated by using internationally and universally accepted standards. Again, we believe that it is particularly important to establish a close communication between ACER and ESMA in order to ensure an as close as possible alignment between the reporting regimes under REMIT and EMIR.

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

Generally, we would reiterate that REMIT should recognise those codes that have already been defined under EMIR. Additionally, we think that is necessary to define a standard for the field "quantity unit" in order to align it with the EMIR requirements. In this respect we suggest using the SI-unit of the measure unit, which is used in the deal type definition. In general, free text should be avoided as this increases technical efforts and may cause additional uncertainty.

On the taxonomy

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

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

X. 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

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

XII. Would you suggest any simplifications or additions to the taxonomy?

Generally, we are not convinced that defining this proposed taxonomy is actually necessary. All the data will already be delivered and available in ACER's transaction reporting database. In our view, the proposed taxonomy can easily be produced from these data as no additional information is actually necessary. Thus we see no reason why market participants should be obliged with this additional duty which would cause additional burden for them. Regarding Regulated Information, we believe the same principles should apply.

