



**ASSOCIAZIONE ITALIANA DI GROSSISTI DI ENERGIA E TRADER**

***Agency for the Cooperation of Energy Regulators***

*Trg Republike 3*

*1000 Ljubljana, Slovenia*

*July 31<sup>st</sup>, 2012*

***AIGET response to Public Consultation Document***

***Recommendations to the Commission as regards the records of wholesale energy market transactions, including orders to trade, and as regards the implementing acts according to Article 8 of Regulation (EU) No 1227/2011***

We welcome your consultation on the transmission of transaction and fundamental data “Recommendation to the Commission as regards the records of wholesale energy market transactions, including orders to trade, and as regards the implementing acts according to Article 8 of regulation (EU) 1227/2011” and the opportunity you give to all the market players to express their position regarding such a significant issue.

We clearly fully agree with the importance of having functioning wholesale markets and on the fact that abuse of insider information and market manipulation may distort the wholesale markets. As a consequence, measures should be taken to limit these phenomena.

The evaluation of the specific measures to be taken against the abuse of insider information and market abuse should, however, also weight carefully the costs and benefits for the markets, and for the operators active in the markets, as large administrative and operational burdens may, especially for smaller players, result in access restrictions and barriers to entry and, as a consequence, could have a negative impact on both market liquidity and competition.

For these reasons, we would like to raise our concerns with respect to some critical points:

1. Your proposals seem to be applicable to practically every market operator buying and selling energy, independently of its size (except for non-energy intensive consumers), from a small producer supplying energy into the grid up to sellers buying wholesale products for the sale to their respective final customers. As the recording and transmission of the transaction data may be particularly burdensome for small operators, which are hardly likely to be able to significantly influence market prices, a threshold should be applied for the requirement to transmit any data (transaction data, fundamental data and transparency data) without discriminating amongst market operators (with respect to type, technology or belonging to a company group). We thus prefer Option B, with a threshold of 100 MW (or analogous trading volume).

AIGET – The Italian Association of Energy Suppliers & Traders

Corso Vercelli 38 - 20145 Milano

Tel: +39 02 36593080

[aiget@aiget.it](mailto:aiget@aiget.it) - [www.aiget.it](http://www.aiget.it)



## ASSOCIAZIONE ITALIANA DI GROSSISTI DI ENERGIA E TRADER

2. The information requested to market operators should be limited to what is strictly necessary for the detection of market abuse, avoiding unnecessary burdens for market operators. As a consequence, we consider information like offers to bid, lifecycle information or some transaction details to be not strictly necessary.
3. We clearly strongly support the principle of using as much as possible already existing data collections in the hands of energy markets and/or regulatory authorities. As a consequence, organised energy markets as power exchanges, auction offices or brokers should be requested to send the transaction data and offers to bid (if available) data for standardised products directly to ACER, thus fully exonerating the respective market participants from the transmission & connected regulatory burdens. For the same reasons, we also welcome the similar transmission of settlement/nomination data by TSOs. With regard to non-standardized contracts, we support the principle that there should be the option to send the data directly to ACER or to use a qualified third party for the transmission & related regulatory compliance. This way, the rules could provide for the possibility that the holding (or a designated) company of a group of companies could handle and send the data on behalf of all of its group entities.
4. We do not think that intra-group transactions should fall within the scope of regulation 1227/2009. The phrase in the definition of market participants subject to the reporting obligations seems to read, however, “including producers supplying their production to their inhouse trading unit or energy trading company”. For this reason we would welcome a firm confirmation/clarification by ACER regarding the exemption of intra-group transactions from any related regulatory burden.

Thanks and regards,

Paolo Ghislandi