



A2A Trading response to ACER "REMIT, Trade Reporting User Manual (TRUM)"

A2A welcomes the possibility to express its opinions and some considerations about the Trade Reporting User Manual (TRUM) which the Agency has put under consultation.

We understand that it may differ from the final version that will be released after the approval of the Implementing Acts. Nevertheless we think it is important for ACER to collect as much suggestions and comments as possible before finalizing the data reporting process and rules in order to understand the concerns of market participants.

Consultation questions

- 1) *The Agency currently understands that the attached data fields (see Annex I of the draft TRUM) for the reporting of transactions in standardised and non-standardised contracts will be included in the Commission's implementing acts. Please provide us with your views on the attached data fields.*

Field No 1: ID of the market participant or counterparty It could be better to give a ranking to the ID Code types in order to have a more homogeneous situation. We mean that in case one counterpart has more than one ID available there should be a priority in using them. For example if LEI is available it must be the first choice, EIC the second and so on. This should also make it easier to choose which code to use during the registration with ACER.

It is not clear the case of trades executed on Exchanges; from what it's written in the document it seems the market participant is always the Clearing House. We thought that CCP is the counterpart but market participant is the company who close the deal on the screen. Could you clarify better ?

Field No 5: ID of the other market participant or counterparty Each counterpart should use the same ID code used for registration with ACER. Does it mean that a public register will be available for all the market participants ?



Field No 26: Transaction time stamp

Currently the broker platform is registering the time of the deal at the “second”. Please, take into consideration that in the electricity and gas sector high frequency trading is not in use and there is a small number of transactions, for the same product, registered at the same time, in terms of “second”.

Please consider that in case a deal is not closed by means of an electronic platform (phone, mail, messenger) there could be discrepancy between the two time stamp registered by the counterparties.

Field No 27: Contract name

It seems a duplication of the Contract ID in Field 23. Should it be an explanatory code like DE_BLD_CAL14 ?

Field No 29 and 30: Linked transaction/order ID

It is not clear which is the meaning. Is it possible to have an example. ?
Who have to assign the ID ? The counterparties ?

Field No 31: Transaction reference number

It is not clear the difference with field 28. Each counterpart can put it on its own ?

Field No 40, 41, 42: Quantity/ Total notional contract quantity/ Quantity unit

Please, add an example to clarify. If I well understood a weekly baseload contract of 25 MW is represented as follows:

Quantity: 24hx7gg = 168

Total notional contract quantity: 25 MW x 168 = 4200

Quantity unit: MWh

Field No 44: Maturity date

From what reported the date of expiry of the contract means the last date when the contract can be traded. In case of a Baseload Calendar 2015 it should be the 2014-12-31. But if it is an Italian physical product it should be 2014-12-30. Please not that for standard products it should be a fixed and known data. There should be no need to report it.

Field No 45: Termination date For the same example of BSL_CAL15 the termination date is the last date of validity of the contract, which means 2015-12-31 and is the same of Delivery



end date of Field 52. Is it correct ? Also in this case, for standard products it should be a fixed and known data. There should be no need to report it.

Field No 60: Confirmation time stamp

It is the time when a counterpart sends the confirmation to the other Part or when the final matching is verified ? We think that on this point there should be more clarity because not all the companies have the same procedures for deal confirmation.

We think the application of data reporting to some real cases could give huge support to better interpret the right meaning of the fields and how to fill them correctly.

Data can be taken both from regulated market and broker platforms and see how the different fields have to be completed.

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

We think it is very important for making all the reporting process more clear and manageable that the Agency publishes and maintains a public list of standardised contract types and organised market places and update that list on a regular basis. A lot of the information requested are “fixed data” for standard contracts (CAL; Q1,2,3,4; M1-12;W1-52) and once defined them properly in the product description it is no more necessary to repeat into the fields. It is important that the Agency publicizes each modification to the list. For each new product added, a “grace” period should be put in place in order to update the reporting system and make all the necessary activities to be compliant.

3) The Agency has currently identified a set of standard formats to be used in the reporting framework (see Chapter 5 of the draft TRUM). Do you consider these standard formats relevant? Are there any other standards that the Agency should consider?

Yes standard formats are necessary and those specified are sufficient.



- 4) *Please provide us with your views on the field guidelines for the reporting of transactions in standardised supply contracts (see Chapter 6 of the draft TRUM).*

We think it could give huge support to better interpret the correct meaning of the fields and how to fill them correctly. It could be of great help to include as examples the application of data reporting to some real cases. Data can be easily supplied both by regulated market and broker platform. In this way it could be seen how the different fields have to be completed.

- 5) *Do you agree that for the reporting of energy derivatives, the same standards that apply under EMIR and MiFID should apply under REMIT (see Chapter 7 of the draft TRUM)?*

YES

- 6) *The Agency intends to include in the TRUM guidance on how trade reports shall be reported for different trading scenarios (see Chapter 8 of the draft TRUM). Please provide us with your views on which trading scenarios you would consider useful to cover in the TRUM.*

It is not clear what the Agency means with trading scenarios. In case it means trading strategies, we think they could be displayed only on specific and motivated request.

- 7) *Please provide us with your views on the section in the draft TRUM related to data integrity (see Chapter 9 of the draft TRUM).*

In our opinion all the process of reporting and validation is very tough to reach. We understand that responsibility of data should stay with market participant, nevertheless the validation process suggested by the Agency represents a huge effort both in terms of resources and systems.

Considering that RRM have to be approved by the Agency after having demonstrated their capability to be compliant with the Agency technical specification, they should be responsible for the data management (not for their content of course) and for data transfer toward ARIS.

In order to allow the market participants to test the system, to tune it and to correct all the inevitable errors which will occur at the beginning of the reporting phase, it would be wise to think of a transitory period (i.e. six months) during which the rules are “softened”.



We have some concerns about the data confidentiality. Different from EMIR, REMIT allows to have a 360 degree picture of market participants portfolio and energy activities. Considering the huge fluxes of data and the number of operators, market players, Agencies and Institutions involved, the data leaking is a real risk.

We are worried about the second phase which will include the non-standard contracts. Considering the information requested it will be almost impossible to manage them in an automatic way, which it means a huge effort by the market operators to fill in all the required fields. We think a more “in-depth” analysis should be done related to non standard contracts and the type of information to be reported.

Thanking you again for the opportunity to share our point of view and our concerns.

Best Regards

A2A Trading srl