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6 May 2014

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**BP response to:
REMIT Trade Reporting User Manual (TRUM) – Public Consultation Paper**

Dear sir/madam,

We welcome the opportunity to respond to ACER's draft Trade Reporting User Manual (TRUM) consultation. This response summarises, at a high level, our view on the consultation.

Summary response

1) *Omission of important information and documentation*

Key information relating to transaction reporting has yet to be published. This includes information relating to Orders to Trade and Transaction Life-Cycle reporting, technical documents such as the *'ACER requirements for RRMs'*, the *'ACER technical specifications for RRMs'* and details on non-standard fields. The final shape of the Implementing Act also remains uncertain.

It is important for participants to have a view of the entire scope of the proposals relating to the reporting principles in order to undertake a full assessment of their impact and provide timely and useful feedback. It also avoids the need to make costly adjustments to reporting systems already put in place.

Given some of the missing information will only be published alongside the final IA the proposed implementation timeframe is challenging. We believe that the period of six months between publication of the final IA and other key supporting documentation, and the start of the reporting is too short and would support a delay to the six month period or at least an early sight of the missing documentation. Sufficient time should also be allowed for participants to digest and comment on these documents.

2) *Data security*

We continue to be concerned over the lack of detailed information on the data security measures to be put in place around data reporting. Much of the data to be reported is high confidential and its disclosure, accidental or otherwise, could result in financial harm due to

its granular nature. As the number of bodies who can access the data increases (we currently have NRAs, ACER, RRMs and other relevant bodies), the risk of disclosure also increases. Therefore, further details on data protection measures to be put in place should be published as soon as possible. ACER should also consider publishing a list of relevant authorities to whom it will pass on data.

3) Double reporting

REMIT states that participants should not be subject to double reporting obligations. As such information already submitted, for example under other regulations such as EMIR, should not be required to be submitted again.

We understand that a number of NRAs intend to set up their own data collection systems. If the intention behind this is to use such systems to collect data directly from ACER, for market monitoring purposes for instance, then this is appropriate - assuming of course NRAs comply with the provisions of Article 10(2) of REMIT. If, however, the intention is to capture REMIT data directly from market participants then this contradicts the REMIT requirement of not creating administrative burden and/or unnecessary costs for market participants. NRAs should obtain all REMIT data directly from ACER and the TRUM should make this clear.

To allay concerns NRA's should work closely with the EC and ACER to ensure that all the data they would like to obtain is caught by the IA and the TRUM. However, if any additional data, outside the scope of REMIT, is to be requested by NRAs, they should use the same standards, formats and processes set by ACER for REMIT reporting.

4) Reporting of transaction data via organised market places (OMPs) and RRMs

The TRUM states that some data, such as orders to trade, should only be reported by OMPs. Given participants ultimately remain responsible for the accuracy and timeliness of data reported they must be allowed to retain the flexibility to choose the mechanism by which they would like to discharge their reporting obligation.

The draft TRUM also places an obligation on participants to ensure that RRMs are accurately reporting their data. This is likely to be difficult without detailed, accurate and timely validation reports from RRMs/ACER. It is important that the technical documents (mentioned in section one) adequately cover these issues and are published as soon as possible to allow participants to decide whether to use delegated reporting. As a practical measure ACER could include provisions in the TRUM giving participants sufficient time to make alternative arrangements such as using another RRM or self reporting, if a third party fails to do so, and undertake not hold the participant in non-compliance during this period.

More generally, given parties seeking to operate a RRM will have to be certified by ACER, ACER itself could regularly review they are meeting their obligations. This should include assessing whether the RRM has robust governance and control processes and mechanisms to report data accurately.

Finally, governance and control processes should be harmonised as much as possible across OMPs to minimise the administrative burden on participants who trade over several platforms.

5) Data validation

The TRUM notes that a receipt of the transactions will not be issued until D+2. Where there are errors in the data reported this will put participants in a position of automatic non-compliance. It is also not clear what will the receipt report will cover, i.e. will it identify errors. An obligation should be placed on RRMs and/or ACER to provide reports that contain sufficient detail to allow participants to check the accuracy of data received by ACER, in

shorter timescales than those currently envisaged. Ideally, the feedback and validation processes should be aligned with TRs operating under EMIR.

Finally, the TRUM notes that updates to data after 60 days will require manual intervention. Given data may need to be updated after this time it would be useful to understand the constraints that prevent data being sent through the normal automated route.

6) Lessons learnt from EMIR reporting applicable for REMIT reporting

The key lesson from EMIR is that there has been significant interpretation of the data fields despite guidance issued by ESMA. As such, as much detail as possible should be provided on how fields should be populated under REMIT with respect to standards and definitions (ideally with worked examples) - at least 6 months before the start of reporting. Guidance on how and by whom UTIs should be generated should be provided as early as possible.

We would suggest that the same standards currently used for regulatory reporting such as for EMIR, MIFID are appropriate for REMIT reporting. In this respect we would support the CpML standard for reporting. Also alignment as far as possible with EMIR/MIFID fields should be ensured – some progress towards this has been made but there some differences remain.

Finally, we would prefer fewer ID codes with LEI the preferred option followed by the ACER code for firms who do not have an LEI. ACER could rank the order in which codes should be used.

7) Reporting of standard contracts

We support the TRUM being a live document but a clear process should put in place to manage any changes, such as how and when updates to the list of standard contracts are published by ACER. Frequent and significant changes should be avoided, with a clear rationale given for any proposed changes; participants should be consulted with and given enough time to make appropriate internal changes. It should be recognised that it is difficult and costly to change systems once they have been set up.

For the reporting of standard non-OMP transactions a longer timeframe than D+1 would be appropriate due to the additional complexity involved. Finally, the TRUM notes that a list of standard contracts will be published - early sight of this list would be appreciated if possible.

8) Field specific comments

It is currently not clear which fields are mandatory, who they apply to (participants, OMPs, RRMs) and whether they apply to gas, electricity or both. Furthermore, under REMIT there is no requirement for matching unlike EMIR, however clarification from ACER on this point would be useful. It also appears that the terms 'contract' and 'transaction' are used inconsistently.

It is not clear what a number of ID fields refer to, for example fields 23, 28 and 29. It would be useful to have worked examples for these. Also is Contract ID similar to the concept of Product ID under EMIR? If so it may obviate the need for a number of other ID fields.

9) General comments

Clarification on whether ACER intends to use the back-loading provision in the IA would be helpful (we appreciate contracts under Article 7(4) have to be reported). Given not all historical data may have been captured and stored in participants' IT systems in the format required, we would suggest minimizing the mandatory fields required for back-loading (if

required) in consultation with participants. Converting historic data into the proposed fields will place a significant burden on participants.

For transaction life cycle events we would suggest that only major changes, for example changes to volumes, duration, price, should be reported. Finally, it would be useful to clarify, where a participant is reporting on behalf of its counterparty does the participant have to report all the fields for the counterparty.

This response is not confidential and we are happy to discuss any points raised.

Regards,