

ENTSOG Response to ACER Consultation Paper on “ACER’s Transaction Reporting User Manual (TRUM) and the RRM requirements”

Introduction

ACER issued on 22nd July 2014 the Public Consultation Paper on the “ACER’s Transaction Reporting User Manual (TRUM) and the RRM requirements” (Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency – REMIT). ENTSOG welcomes the opportunity to respond to ACER’s public consultation through the following answers.

ENTSOG Response

1. Transaction Reporting User Manual (TRUM)

1) Please provide us with your views on the scope and the objectives of this document. In particular, please provide your opinion on whether the kind of information included and the structure of the TRUM are suitable to facilitate transaction reporting. If not, please explain which additional information the TRUM should cover and/or how it should be structured.

ENTSOG considers the manual useful for the reporting parties and its structure suitable in order to facilitate transaction reporting, however, in order to provide more legal certainty further specification of some parts of the document would be welcome.

2) Please provide us with your general comments on the purpose and structure of the draft TRUM. In particular, please provide your opinion on whether the information the Agency intends to include in the first edition of the TRUM is sufficient for the first phase of the transaction reporting (contracts executed at organized market places). If not, please explain which additional information should be covered.

ENTSOG considers the manual useful for the reporting parties and the structure of the draft TRUM appropriate. ENTSOG considers the information in the first edition of the TRUM sufficient for the first phase of the transaction reporting.

3) Please provide us with your views on the Agency’s proposed approach as regards the list of standard contracts. In particular, please provide your views on whether:

- **the list of standard contract types enables reporting parties to establish whether to use Table 1 or Table 2 of Annex I of the draft Implementing Acts when reporting information under REMIT; and**
- **the identifying reference data listed in ANNEX II that the Agency intends to collect are sufficient and suitable to establish the list of standard contracts.**

Do you agree that the list of standard contracts in Annex II should also be considered sufficient to list the organized market places or would you prefer to have a separate list of organized market places? Please justify your views.

ENTSOG agrees with the Agency’s approach to draw up and maintain a public list of standard contracts and organized market places and update that list on a regular basis.

ENTSOG is not involved in the evaluation of the list of standard contract types related to supply contract of electricity and gas (Table 1 or Table 2 of Annex 1).

ENTSOG agrees that the list of standard contracts in Annex II is helpful, but should be accompanied by separate list clearly naming the organized market place in order to provide more legal certainty.

4) Please provide us with your views on the explanation of product, contract and transaction provided in this Chapter, in particular on whether the information is needed to facilitate transaction reporting.

ENTSOG considers the Chapter 7 to be the special chapter for the transportation contracts. Buying and selling commodity by TSOs for balancing purpose will be defined by the balancing reporting at a later stage.

5) Please provide us with your views on the field guidelines for the reporting of transactions in standard supply contracts.

ENTSOG is not involved in the fields’ evaluation for standard contract types related to supply of electricity and gas.

6) Please provide us with your views on examples of transaction reporting listed in ANNEX III – Examples of transaction reporting of the draft TRUM. Do you consider the listed examples useful to facilitate transaction reporting?

ENTSOG is not involved in the evaluation of standard contract types related to supply contract of electricity and gas.

7) In your view, are there any additional examples to be added in ANNEX III of the draft TRUM? Please provide a description of example(s) that in your opinion should be covered.

ENTSOG is not involved in the evaluation of the list of standard contract types related to supply contract of electricity and gas.

8) Please provide us with your views on the field guidelines for the reporting of transactions in non-standard supply contracts.

ENTSOG is in the opinion that all contracts related to transportation capacity concluded by TSOs are standard contracts.

9) Please provide us with your views on whether examples of transaction reporting should be added as regards transactions in non-standard supply contracts. If yes, please explain which scenarios these examples should cover.

ENTSOG is not involved in the evaluation of non-standard contract types related to supply contract of electricity and gas.

10) Please provide us with your views on the field guidelines for the reporting of transactions in electricity transportation contracts.

No comments

11) Please provide us with your views on whether examples of transaction reporting should be added as regards transactions in electricity transportation contracts. If yes, please explain which scenarios these examples should cover.

No comments

12) Please provide us with your views on the field guidelines for the reporting of transactions in gas transportation contracts.

Please refer to ENTSOG comments directly included into the document (Section 7 of TRUM).

13) Please provide us with your views on whether examples of transaction reporting should be added as regards transactions in gas transportation contracts. If yes, please explain which scenarios these examples should cover.

ENTSOG would welcome useful examples of transaction reporting and it’d like to add the following scenarios:

- Primary Market: Organized Market Place (Capacity Auction)
- Primary Market: Not Organized Market Place (Capacity Other mechanism)
- Secondary Market: Organized Market Place
- Secondary Market: Outside Organized Market Place

14) Do you agree that, if organized market places, trade matching or reporting systems agree to report trade data in derivatives contracts directly to the Agency they must do so in accordance with Table 1 of Annex I of the draft Implementing Acts as regards contracts referred to in Article 3(1)(a)(9) and Table 3 or 4 as regards contracts referred to in Article 3(1)(b)(3)?

ENTSOG would like to confirm to the Agency that TSOs don’t trade derivatives.

15) In your view, are Tables 1, 3 and 4 of Annex I of the draft Implementing Acts suited for the reporting of contracts referred to in Article 3(1)(a)(ix) and Article 3(1)(b)(3) respectively?

ENTSOG would like to confirm to the Agency that TSOs don’t trade derivatives.

2. Requirements for the registration of Registered Reporting Mechanisms (RRM)

1) Do you agree with the Agency’s view that post-trade events related to wholesale energy products shall be reported by trade matching or trade reporting systems?

ENTSOG would like to have a clear definition of the post-trade events. ENTSOG presumes this is only relevant for shippers and network user.

2) Do you agree that the standards and electronic formats to be established by the Agency according to Article 10(3) of the draft Implementing Acts shall apply to trade repositories and ARMs for the reporting of data covered by EMIR and / or other relevant financial market legislation? If not, please justify your position.

No comments.

3) Do you agree that the requirements set out above adequately ensure the efficient, effective and safe exchange and handling of information without imposing unnecessary burdens on reporting entities?

ENTSOG considers the requirements on RRM disproportional for regulated company like TSOs that are already subjected to monitoring by NRAs. In addition the compliance report to be delivered by TSOs according to point 5.13 should be seen as an alternative with respect to the documentation for each RRM’s requirements.

4) Do you agree with the Agency’s view that the same requirements shall apply to all RRM’s?

ENTSOG considers the requirements on RRM disproportional for regulated company like TSOs that are already subjected to monitoring by NRAs. TSOs could be released from the obligation to prove governance according to point 5.7 of the document because they are obliged to do so already under the unbundling certification process.

- 5) If your reply to question 4 above is negative, please explain which requirements should apply differently to different RRM and why.**

No comments

- 6) Notwithstanding the requirements on the validation of output (see Chapter 5.6), should the Agency offer to entities with reporting responsibilities the possibility to request access to the data submitted on their behalf by third-party RRM?**

Yes, it should be offered by the Agency without creating new burden to RRM.

- 7) If the reply to question 6 above is positive, please explain how such access should be granted, taking into consideration the need to ensure operational reliability and data integrity.**

ENTSOG retains that a specific procedure that considers the confidentiality of the data and the secure access to the data should be applied.

- 8) Do you agree that the compliance report must be produced by the RRM on a yearly basis or shall such report be compiled only at the request of the Agency?**

ENTSOG considers that the compliance report to be delivered by TSOs according to point 5.13 should be seen as an alternative with respect to the documentation for each RRM’s requirements. This report should be provided only upon Agency’s request.

- 9) Do you agree that trade repositories and ARMs shall be registered with the Agency, even if they only report data reportable under EMIR and / or other relevant financial market legislation?**

No comments

- 10) Do you agree that the Agency should foresee a simplified registration process for trade repositories and ARMs that only report data reportable under EMIR and / or other relevant financial market legislation?**

No comments

- 11) Do you agree that CEREMP should be used for the identification of market participants that apply to become a RRM?**

ENTSOG agrees with the Agency’s approach. Nevertheless, in case the market participant is given the EIC code, this could be an alternative for a more user friendly identification.

12) What is your opinion on the timeframe needed to complete the registration process?

The initial registration process should be given in sufficient time (3 months is considered suitable time). Additional and subsequent individual registration should be handled quicker.

13) Do you have any comments on the registration process in general?

No comments

14) Would the periodic renewal of registration be a valid alternative to the certified annual report?

Once TSOs are registered, ACER should keep validation procedure at the minimum.

15) Do you have any other comments on the Chapter concerning the Agency’s assessment of compliance with the RRM requirements?

ENTSOG considers the measures announced by ACER in the Chapter 7, mainly the topic related to the discontinuing access, disproportional intervention. Especially if quality bad data wasn’t caused by the Market Participant itself, but was a result of force majeure.