



# **Consultation on ACER's Functioning and Usefulness of the European Register of Market Participants**

Enagás comments

22 April 2016



## Consultation Questions

### 1. **Questions on improvements of the Registration Format of the European Register**

1. Regarding fields 112 and 316 ('VAT number' of the market participant and ultimate controller), taking into consideration that some market participants and ultimate controllers do not have a VAT number, ACER proposes to add an additional checkbox labelled: 'I do not have a VAT number.' Moreover, taking into account that different formats for VAT identification apply outside the European Union, ACER proposes to adopt a more flexible format for fields 112 and 316 for non-EU market participants. Do you agree with this change? If not, please justify your reply.

1. N/A.

2. Regarding the reformulation of field 113 (Energy Identification Code ('EIC') of the market participant):

a) EIC codes are widely used for reporting transaction and fundamental data. The current registration format allows only one EIC code to be provided by a market participant, although there may be several different types of EIC codes related to the same market participant and used for reporting. Moreover, although the EIC codes are publicly available, other pieces of information, such as the location of the facility identified by the EIC code, are not public. Taking into consideration the need to identify for monitoring purposes to which market participants different EIC codes belong to, the current registration format can be developed to allow the introduction as mandatory fields of all EIC codes (i.e.: EIC X, EIC Y, EIC Z, EIC T, EIC W and EIC A) related to the same market participant. What are the pros and cons of such an approach? Please explain.

2. Enagás believes that the above statement is not consistent. Whereas Market Participants (legal person or entity) can only be identified with EIC X, the rest of EIC codes serve other purposes;

- Areas – object type "Y", Areas for inter System Operator data interchange
- Measuring Points – object type "Z", Energy Metering points
- Resource objects – object type "W", such as Production plants, consumption units, etc.
- Tie-lines – object type "T", International tie lines between areas
- Location – object type "V", Physical or logical place where a market participant or IT system is located.

3. For example, Enagás has three EIC X codes to identify the mother company, and the subsidiaries mentioned in point 1, whereas, EIC W identifies the infrastructures (LNG plants, underground storages), EIC Z identifies for example the connection between the transmission and a LNG Plant, and these codes are published either by ENTSOG if they are of EU scope: <http://www.entsog.eu/eic-codes/eic-location-codes-v>, and EIC codes of national scope, are published by the national LIO ( that is Red Eléctrica, the electricity TSO in our case).

**b.** In case the introduction of all EIC codes used for reporting by a market participant (see previous question) is allowed by the European register, the Registration Format could be expanded to:

- identify the name of the object to which the EIC code relates (e.g.: name of the power plant),
- identify the address of the object to which the EIC code relates (e.g. location of a power plant identified by X EIC code),
- identify the country where the market participant or the object is physically registered (e.g. in case of Y, T EIC codes, all countries which lie in the area of the Y, T EIC code
- identify the market participant's role/relationship with the submitted EIC codes in order to differentiate situations where one code is used by more than one market participant. The Agency has identified the following relevant roles:
  - ✓ Proprietor/owner of the object to which the entered EIC code relates
  - ✓ Operator of the object to which the EIC code relates
  - ✓ Other role which has information about the object to which EIC code relates

i. Do you agree with the possibility to add these mandatory fields in order to identify each EIC code? If not, please justify your reply.

ii. Would you like to add/reformulate any other potential role/relationship of a market participant with the submitted EIC codes to the ones mentioned in the list above?

4. With regards to i. Enagás believes that the possibility to add the mandatory fields of EIC codes could be beneficial for consistency reasons. In relation to ii) Enagás would not like to add/reformulate any other potential role/relationship of a market participant with the submitted EIC codes to the ones mentioned in the list above.

**3.** Field 116 (Global Location Number of the market participant - 'GS1' in the coding scheme) is rarely used by market participants. Do you agree that this field is removed from the European Register? Please explain your reply.

5. Enagás agrees with the removal of GS1 from the European Register.

**4.** Field 118 ('Trade Register') was requested by some NRAs. Would it be adequate to allow for special characters in this field? If not, please justify your reply.

6. No comments.

**5.** The Implementing Regulation lays down the provision to include Trader IDs in transaction reports (field 3 of Table 1 in the Annex to the Implementing Regulation). The Trader ID is the login username or trading account of the trader and/or the market participant or counterparty as specified by the technical system of the organised market place. The field 'Trader IDs' may be added to the European Register as part of the market participant's registration information to make it easier to link different trader IDs to one specific market participant for market monitoring purposes. Do you agree with this proposal and what are the pros and cons of this? Please explain your reply.

7. Not Applicable.

**6.** Field 120 ('Publication Inside Information') is currently filled by many market participants with a general link (for example, a link to the company's main webpage) and not with the exact location where the inside information publications are published. Do you agree to refine its definition so that it is clearly stated that the URL(s) should indicate the exact address where the inside information is disclosed publicly and, to create a new field indicating the location of the web-feed used for reporting the publications of inside information to ACER?

8. Enagás believes it should be promoted as best practice by ACER to add the exact location where the inside information publications are published.

9. Since inside information collection through webfeed have been postponed until 1 January 2017, Enagás does not consider necessary that ACER creates a new field indicating its location at this point in time. It could be added in the future.

**7.** Regarding field 121 ('ACER code'), taking into consideration the need to ensure the traceability of relevant changes in the registration records two new fields could be added to the Registration Format: one indicating previously used ACER codes; another identifying the relationship with the previous codes. The identification of

the relationship between ACER codes could be provided by selecting the following types:

- same person previously registered in another Member State;
- incorporation of a registered market participant;
- spin-off from a registered market participant;
- other.

i. Do you agree with the above proposal? Please give reasons for your answer.

ii. Do you see a more efficient way to ensure traceability of relevant changes in the registration records?

10. Enagás has no opinion on this matter. It would not harm the Market Participants within the company to add the ACER code.

**8.** Section 4 ('Corporate Structure' of the market participant) does not currently provide full transparency on the corporate structure of the market participant. It has been proposed that every market participant registered indicates the VAT number, name, and percentage of ownership of all companies belonging to the same group of the market participant (including company(ies) that are not market participants) as this would increase transparency from a market surveillance perspective.

i. What are the pros and cons of such an approach? Please explain your reply.

ii. Are there any improvements more generally to the corporate relationship section you would suggest?

11. With regards to i), Enagás believes it would place more burden on the market participants. Normally company structures are also published on their websites, and listed companies already report this information regularly to the relevant authorities. ACER could ultimately ask for this information on an ad-hoc basis.

12. Enagás believes that the corporate relationship section is OK as is.

**20.** In Section 3 to 5, we understand that some fields may not be self-explanatory. In order to avoid the misinterpretation of the information inserted by a market participant, do you think that some additional free text fields should be included to allow a better description of the particular situation of the market participant? Namely regarding:

- the main activity of the market participant;
- how the ultimate controller performs such control;
- information about the existing/envisaged data reporting agreements.

13. Enagás believes that whether fields are self-explanatory or not depends very much on the registration manual that the NRA has developed to describe what needs to be included in each field. The experience of Enagás has been good in this respect, but does not object to including optional free text fields in the case a market participant wants to explain a particular situation further.

**10.** Do you have any other comment on the current fields provided in Annex 1 to ACER Decision 01/2012 on the Registration Format that can further improve the functioning and usefulness of the European register of market participants?

14. No comment.

**2. Questions on improvements of the Registration Format of the European Register**

**11.** In 2011, the Council of European Energy Regulators (CEER) issued a report recommending factors that are important in meeting the above aims. The current Registration regime was introduced, as it was considered that it provides the right regulatory balance to identify who is in the market and to enable monitoring markets to detect abuse. The Agency is keen to understand stakeholders' views on this balance, in particular in relation to the previously-raised concerns that different national administrative requirements, which trading companies need to meet in order to operate in the national wholesale energy markets, could represent potential barriers to the creation of a Union-wide level playing field for market participants.

i. Do you consider these national administrative requirements a relevant barrier to entry and an obstacle towards a true pan-European energy market? Please provide examples of administrative requirements that you believe constitute an unjustified barrier to entry that could distort the level playing field at European level.

ii. If you do believe there are barriers to entry, how could these be mitigated?

iii. Do you consider other possible regimes, compared to the existing registration regime, more useful to enhance the overall transparency and integrity of the wholesale energy markets and ensure a Union-wide level playing field for market participants? (e.g. EU trading license regime)

15. No Comments.

**12.** Some counterparties and organised market places (OMPs) voluntarily require market participants to be registered in the European register of market participants before they can trade with them/in their platforms. Do you consider that the introduction of this as a legal requirement would benefit the integrity and transparency of the wholesale energy markets? What would be the pros and cons of introducing this legal obligation?

16. Enagás agrees with this proposal as it would benefit integrity and transparency of the wholesale energy market which can be considered a pro. However, on the contrary it would eventually impose burden on those “participants” who want to operate in an organised market place and cannot do it because they have not previously registered as market participant under REMIT.

**13.** Do you find the publicly available extracts of the European register of market participants useful for your business and/or for the transparency of the wholesale energy market? If not, which additional information should be published?

17. No comments.

**14.** Do you have any other comments on the functioning and usefulness of the European Register?

18. The European Register of Market Participants is a registry which is alive and where Market Participants need to change the information whenever there is a change in for example the company structure, RRM's submitting information on their behalf etc. This imposes a burden on Market Participants as they need to check on a current basis the status of their registration.

**15.** Following consideration of responses to the public consultation, the Agency aims for any resulting modification to the European register of market participants and to the Registration Format to be adopted by 30 June 2016 and to apply as of 1 January 2017. Do you agree with this proposed timeline? If not, please justify your reply and propose an alternative timeline.

19. Due to the burden that market participants are facing at the moment due to the implementing date of 7 April 2016, we would suggest that the Agency to delay any changes in the registration format at least to be applicable until June 2017.