Europex response to ACER's public consultation on the "Proposed Changes to Electronic Formats for Transaction Data, Fundamental Data and Inside Information Reporting"

Brussels, 8 November 2017 | Europex welcomes the opportunity to take part in ACER's public consultation on *the Proposed Changes to Electronic Formats for Transaction Data, Fundamental Data and Inside Information Reporting[1].*

As a matter of principle, Europex supports the effort of ACER to enhance data quality for monitoring purposes and to implement a simplification of the reporting format. Despite these improvements, however, we would like to highlight that any change(s) to the already established reporting format will:

- **create implementation costs which will be passed on to market participants and end consumers;**

- **increase system operation risks;**

- **potentially affect the reliability of reporting market participants' data to the ACER system.**

Given the importance that Europex members attach to their reporting systems to ensure the accurate and timely submission of data to ACER, we would like to insist that the aspects mentioned above are taken into consideration when suggesting new changes.

For Europex it is difficult to evaluate how the proposed changes will improve the data quality in ACER's monitoring system. However, it should be noted that the use of mock values or any erroneous data in the reporting schema does not reflect the real trading data and can result in inaccurate transaction reporting.

A simplification and efficiency increase of the existing reporting schemes should be done in combination with a harmonisation between other reporting standards, like EMIR for example. Data fields related to the delivery profile have in some cases diverging format requirements between EMIR and REMIT reporting. This can lead to consistency issues, especially in cases where ACER retrieves EMIR data from ESMA.

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[1] https://www.acer.europa.eu/Official_documents/Public_consultations/Pages/PC_2017_R_03.aspx

Table 1. Inconsistencies between REMIT and EMIR data fields:

	REMIT	EMIR
Load delivery intervals	Local time of the delivery point/area	UTC Time
Delivery start date and time	Local time of the delivery point/area	UTC Time
Delivery end date and time	Local time of the delivery point/area	UTC Time
Delivery point or zone	EIC Y Code or EIC Z code, if applicable	EIC Y code is mandatory for all gas and power contracts, no possibility to report "not applicable"
Interconnection point	-	EIC Z code is mandatory for all gas and power contracts, no possibility to report "not applicable"

Europex welcomes the approach of ACER to consult with the stakeholders regarding proposals at least one year in advance. This time period is necessary for the specification of IT requirements, cooperation with service providers and market participants, the adoption of existing internal IT systems and most importantly for testing.

In conclusion, Europex supports:

- **the effort of ACER to enhance data quality for monitoring purposes and a simplification of the reporting format;**

- **enough lead time for possible changes in order to have sufficient time for implementation and testing; and**

- **achieving a higher degree of consistency with other reporting schemes, like EMIR.**

Finally, following the instructions of the public consultation, Europex' specific comments related to the proposed changes in the consultation document are provided below.

Annex B - Form for providing respondents' feedback on proposed changes

A.1 Proposed changes to reporting standard contracts in accordance with Table 1 of the Implementing Acts

Proposed change No. A. 1.1
The Agency proposes to stop reporting with the REMITTable_V1.xsd and REMITTable1_V2.xsd schemas by 31.03.2019 and allow the use of one single schema: REMITTable1_V3.xsd.

Europex' view: The implementation of this change is <u>not</u> required. Any change of the reporting format, which has been already established in the IT infrastructure of the member exchanges will create implementation costs which will be passed on to market participants and end consumers, increase system operation risk and potentially affect the reliability of reporting market participants' data to the ACER system.

Proposed change No. A.1.2
The Agency proposes that Data Field No (35) Price and Data Field No (40) Quantity of Table 1 of REMIT Implementing Regulation are reportable within the "price time interval section" of REMITTable1_V1.xsd and REMITTable1_V2.xsd schemas instead of their own field.

Europex' view: This would influence all existing reporting scenarios of the standard contracts which were successfully tested a few years ago. The current reporting format using the fields price (35), quantity (40), load delivery intervals (54), delivery capacity (55) and price/time interval quantity (57) takes into account the flexibility and diversification of the transactions processed by OMPs.

Proposed change No. A.1.3
The Agency was asked to propose a way to harmonise the UTI format with the one used under EMIR, taking into consideration the UTI length and allowed characters.

Europex' view: The currently used UTI format is preferable.

Proposed change No. A.1.4
The Agency proposes that the element "Index value", which is currently present within the contract section of the schema, is deleted.

Europex' view: The field "index value" should not be deleted from the schema. The current option is preferable.

Proposed change No. A.1.5
The Agency proposes to change the cardinality of Field no (41) "Total notional contract quantity" in REMITTable1_V1.xsd and REMITTable1_V2.xsd schemas from optional to mandatory. Although some contracts may not have a "Total notional contract quantity" value, i.e. index trades, this field can be reported with a mock value e.g. 9999999.9999

Europex' view: The use of mock values or any erroneous data in the reporting schema does not reflect the real trading data and can result in inaccurate transaction reporting.

Proposed change No. A.1.6
The Agency proposes that Data Field No (52) "Load type" of REMITTable1_V1.xsd and REMITTable1_V2.xsd schemas changes from optional to mandatory.

Europex' view: The current option is preferable.

A.2 Proposed changes to reporting non-standard contracts in accordance with Table 2 of the Implementing Acts

Proposed change No. A.2.1
The Agency proposes to change the cardinality of Data Field No (32) "Option style" and Field No (33) "Option type" from optional to mandatory, if Field No (13) "Contact type" contains one of the following values: OP, OP_FW, OP_FU or OP_SW. Some elements within the schema were left optional in order to allow for exceptions and flexibility. However, when a contract has some optionality embedded in it, "Option style" and "Option type" should be filled in.

Europex's view: The current option is preferable.

Proposed change No. A.2.2
The Agency proposes that Data Field No (44) "Load type" of Table 2 of REMIT Implementing Regulation changes from optional to mandatory.

Europex's view: The current option is is preferable.

A.6 Proposed changes to inside information reporting

Proposed change No. A.6.1
The Agency proposes to change Field No (16) Affected Asset or Unit of the UMM schema No2 "Unavailabilities of gas facility in a way that all assets or/and units affected by an outage or unplanned maintenance" (a single event affecting multiple assets in the same way i.e. same timing) can be published within a single report. The Unavailability report will contain a repeatable set of data fields that identify the affected asset or unit, the balancing zone to which it belongs to and the details of technical, available and unavailable capacity during the period of outage or unplanned maintenance.

Europex' view: This is a contradiction to the current approach of one event per asset/unit. Consequently, this could lead to misunderstandings and should be avoided. If it had to be changed to multiple assets, there should still remain the option to continue with the current approach.

Proposed change No. A.6.2
The Agency proposes to change the accepted values of the Data Field (8b) Unit of measurement and to add a new unit "GWh/h" and remove the existing unit "mcm/d". Thus, the allowed units for gas UMMs will be: kWh/d, kWh/h, GWh/h, GWh, GWh/d, TWh.

Europex' view: Consequently, MW/h would need to be added as an accepted value of Data Field (8b) Unit of measurement.

Proposed change No. A.6.4

The Agency would like to consult on whether the change would be beneficial for electricity UMMs. The Agency proposes to change the UMM schema in a way that all assets and/or units affected by an outage or unplanned maintenance (a single event affecting assets in the same way i.e. same timing) can be published with a single report.

Europex' view: This is a contradiction to the current approach of one event per asset/unit. If it was to be changed to multiple assets, there should still remain the option to continue with the current approach.

A.7 Proposed miscellaneous changes applicable to more than one data type

Proposed change No. A.7.2

The Agency proposes that each element of the type "datetime" in Table 1 and Table 2 schemas includes an enforcement of the applicable pattern in regard to the local time zone. No time zone offset or zoned time (with offset) is required.

Europex' view: We do not fully understand the proposed change. An example should be given to clarify the suggested modification. Furthermore, a specification of the preferred time format by ACER is needed. Stakeholders should be given the possibility to comment on the complemented proposal.

As a general principle, Europex recommends using UTC for "datetime" in the Table 1 and Table 2 schemas in alignment with EMIR reporting.

Proposed change No. A.7.9

The Agency proposes to align the units of measurement in the REMIT Storage and REMIT LNG schemas with the units for gas UMM reporting. Current restrictions for REMIT Storage and REMIT LNG schema: cm, cm/d, mcm, mcm/d, kWh, kWh/h, kWh/d, GW, GWh, GWh/h, GWh/d, MW, MWh, MWh/h, MWh/d, TWh, Therm/d, kTherm/d, MTherm/d, Therm, kTherm, MTherm, %. The proposal is to limit the restrictions to kWh/d, kWh/h, GWh/d, GWh, TWh, GWh/h.

Europex' view: Consequently, MW/h would need to be added as an accepted value of Data Field (8b) Unit of measurement.

Proposed change No. A.8.2

The Agency proposes to introduce two new elements "intervalStart" and "intervalStop" into the complex type "capacity" and make the complex type repeatable. The change is applicable to both gas and electricity UMM schema.

Europex' view: As already rightly stated in the consultation document, this will be a significant change. Therefore, Europex calls for a sufficiently long lead time which will be necessary to implement the change.

In addition, the change shall only affect the electricity UMMs. The intended two new elements "intervalStart" and "intervalStop" shall be optional to also enable reporting under the current approach and to ensure a sufficiently long transition period. Furthermore, Europex recommends removing the available capacity field as it will become obsolete.

Proposed change No. A.8.3
The Agency proposes to change the Data Field No (17) Affected Asset or Unit EIC Code from optional to mandatory.

Europex' view: If the field was to be made mandatory, ACER would have to ensure that the MPs will get EICs for all their facilities. Currently, a very significant number of MPs have no possibility to get EICs for storage and consumption facilities. Furthermore, EICs shall be provided separately for production and generation unit. The EICs for the production and generation unit shall not be equal.

About

Europex is a not-for-profit association of European energy exchanges with 27 members. It represents the interests of exchange-based wholesale electricity, gas and environmental markets, focuses on developments of the European regulatory framework for wholesale energy trading and provides a discussion platform at European level.

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