

ACER



Agency for the Cooperation
of Energy Regulators

REMIT Quarterly

ACER guidance on the application of REMIT and transaction reporting

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Introduction

This is the first issue of ACER's REMIT Quarterly. The Agency will use this channel to communicate with its stakeholders on 'REMIT-related matters'. The primary aim of the REMIT Quarterly is to update on relevant REMIT issues as they arise. The REMIT Quarterly will provide guidance on the applications of REMIT and other transaction reporting issues.

The entry into force of Commission Implementing Regulation (EU) No 1348/2014

('REMIT Implementing Acts') on 7 January 2015 introduced important milestones for the implementation of REMIT, both for the Agency and its stakeholders, i.e. the National Regulatory Authorities (NRAs), market participants and reporting parties.

In order to help the stakeholders to fulfil their obligations and meet the deadlines, the Agency decided to open two new communication channels. The first such channel was the REMIT Portal which was opened to the public on 8 January 2015. The REMIT Portal is a single access point to all applications that the Agency has made available for its stakeholders:

- CEREMP
- RRM registration application
- Data Submission application
- Notification Platform.

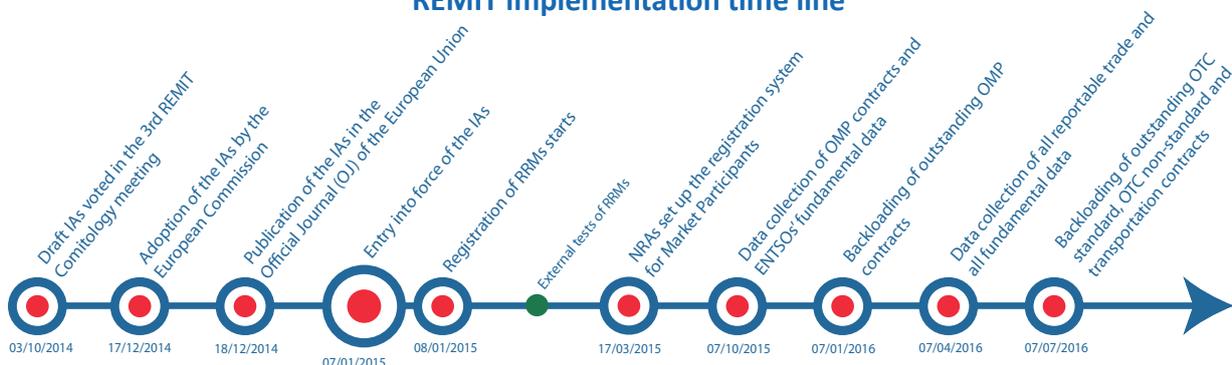
The Agency also publishes important documentation on the Portal such as:

- Manual of Procedures on transaction and fundamental data reporting (MoP).
- Transaction Reporting User Manual (TRUM).
- Requirements for the registration of Registered Reporting Mechanisms (RRM Requirements).

This REMIT Quarterly represents another channel that the Agency will use in order to provide further information on specific issues to stakeholders. The REMIT Quarterly will be published on the [REMIT Portal](#).

It will also be sent out via the ACER Newsletter which can be subscribed to on the [ACER website](#).

REMIT implementation time line



Publication of:
- Manual of Procedures on Data Reporting
- RRM requirements
- List of OMP
- TRUM

Publication of:
- The European Register of Market Participants
- List of Standard Contracts

Glossary:
ENTSO - European Network of Transmission System Operators
TRUM - Transaction Reporting User Manual
RRM - Registered Reporting Mechanisms
NRA - National Regulatory Authority
OMP - Organised Market Place
IAs - Implementing Acts
OTC - Over-the-counter

ACER Guidance on the application of the concept of Persons Professionally Arranging Transactions (PPAT)

REMIT does not define the concept of a Person Professionally Arranging Transactions (PPAT), although PPATs are bound by certain obligations under Article 15 of REMIT. The Agency has published a Guidance Note in order to further clarify the application of the concept of a PPAT.

The current 3rd edition of the Agency's Guidance on the application of REMIT, as well as its predecessors, addresses the obligations of PPATs in a general way.

The Agency undertakes continuous efforts to assist stakeholders in fulfilling their obligations under REMIT, for instance, by updating the Guidance. The Agency is using the experience it has gained in the application of REMIT. In addition, the Agency has invited National Regulatory Authorities (NRAs) to provide feedback on their experiences.

Some entities have turned to their NRAs as well as to the Agency requesting clarification on whether or not they should be considered PPATs. The definition of PPAT is important because certain obligations on PPATs apply since the entry into force of REMIT in December 2011. In order to clarify which entities fall under

the definition of a PPAT, and would then also be subject to the obligations under Article 15 of REMIT, the Agency, together with NRAs, has produced a Guidance Note.

The Guidance Note intends to shed light on the topic by discussing:

- **Existing notions** related to the concept, including the ones used in REMIT and in the financial regulations.
- **Characteristics** that should be taken into consideration in the assessment of whether an entity falls under the definition of PPAT for the purpose of REMIT.
- **General examples** of the application of the concept of PPATs.

Role and obligations of a PPAT

PPATs typically act as intermediaries that either enable or assist third parties (buyer or seller) in a way that directly brings about a particular wholesale energy transaction(s). They can also facilitate the entering into transactions in wholesale energy products by third parties. Under this role PPATs have a good understanding and overview of the market segment they operate in.

Taking into account their proximity to the market, PPATs qualify as potential informants should any suspicious transaction appear in the market segments they operate in. Thus the legislation (Article 15 of REMIT) puts an obligation on PPATs to notify the relevant NRA without delay if they reasonably suspect that a wholesale energy market transaction might breach the prohibitions on insider trading or market manipulation.

To fulfil their obligation to notify NRAs, Article 15 of REMIT imposes on PPATs the obligation to establish and maintain effective arrangements and procedures to identify breaches.

Such arrangements may involve setting up active software aided surveillance systems, passive process based mechanisms to detect and notify potential market abuses, as well as organisational mechanisms to avoid possible conflicts which may arise between commercial and compliance interests.

The complete Guidance Note is available on the [REMIT Portal](#).

Whistle-blowing

If you want to make a whistle-blowing disclosure or report a suspected wrongdoing by a market participant or an individual connected with a market activity, please contact the Agency through our [Notification Platform](#)

Your notification will be taken up by the competent National Regulatory Authority in close cooperation with the Agency.

ACER Guidance on the registration of market participants

The 3rd edition of the ACER Guidance on the Application of REMIT addressed the registration of Market Participants.

The Agency is currently preparing a Guidance Note in order to fully align it with the Commission Implementing Regulation (EU) No 1348/2014. It will be published in April 2015.

Publication of the European Register of Market Participants on 17 March 2015

The European Register of Market Participants was published on 17 March 2015 for the first time and has been updated on a constant basis ever since. 304 Market Participants were registered with National Regulatory Authorities at the day of the publication of the European Register.

Until the publication, Market Participants were not obliged to fill Section 4 of the registration on data related to corporate structure of Market Participants.

The publication triggered the obligation for market participants already registered to complete Section 4 within three months following the publication of the European Register, i.e. by 17 June 2015.

The 3rd edition of ACER Guidance already provides some guidance on this obligation, but the Agency intends to further clarify it in the light of Commission Implementing Regulation (EU) No 1348/2014 in the April edition of its REMIT Q&A paper.

New Market Participants registering with National Regulatory Authorities as of the publication of the European Register of Market Participants have to fill Section 4 of the registration with information on related Market Participants.

All Market Participants are requested to update their registrations as required.

ACER's REMIT Reporting User Package

Commission Implementing Regulation (EU) No 1348/2014 required the Agency to provide supporting documentation in order to facilitate reporting and to ensure operational reliability of data reporting. The Agency has therefore provided a REMIT Reporting User Package on 7 January 2015 and 17 March 2015 consisting of the following documents:

- **List of Organised Market Places** pursuant to Article 3(2) of Commission Implementing Regulation (EU) No 1348/2014,
- **List of Standard Contracts** pursuant to Article 3(2) of Commission Implementing Regulation (EU) No 1348/2014,
- **Transaction Reporting User Manual (TRUM)** according to Article 5(2) of Commission Implementing Regulation (EU) No 1348/2014,
- **Manual of Procedures** for Transaction and Fundamental Data Reporting according to Article 10(3) of Commission Implementing Regulation (EU) No 1348/2014 and
- **Requirements for the Registration of Registered Reporting Mechanisms** (RRM Requirements) pursuant to Article 11(1) of Commission Implementing Regulation (EU) No 1348/2014, together with an RRM technical specification document available to identified RRM applicants against signing of a Non-Disclosure-Declaration.

In a nutshell, the RRM Requirements specify who will be able to report, the Manual of Procedures how to report, the TRUM what to report and the lists when to report, i.e. the timing of reporting. The REMIT Reporting User Package will be updated as required. The following sections of this REMIT Quarterly provide information on the current updates of the REMIT Reporting User Package.

List of Organised Market Places and List of Standard Contracts published

In order to facilitate reporting under the REMIT Implementing Regulation, the Agency is obliged to draw up and maintain two public lists:

- **List of Organised Market Places and,**
- **List of Standard Contracts admitted to trading at organised market places.**

These were published on 8 January 2015 and on 17 March 2015 respectively and will be updated on a regular basis.

List of Organised Market Places

An open Call for the establishment of a List of Organised Market Places (OMPs) under the REMIT Implementing Regulation was launched on 16 October 2014 and a provisional List of Organised Market Places was drawn up by the Agency and issued for public consultation on 14 November 2014.

On 6 January 2015, all organised market places included in the provisional List of Organised Market Places were asked to confirm their inclusion in the list. The Agency published a first version of the List of Organised Market Places on the REMIT portal on 8 January 2015. It is currently published in exportable Excel format. In addition, the list will be available in html format on the [REMIT Portal](#).

Updates to the list will be published on a need basis on the REMIT portal, currently once per week. The Agency invites organised market places to inform it of new organised market places or existing market places that are not currently on the list, but fall under the definition of organised market places as defined in Article 2(4) of the REMIT Implementing Regulation. Market participants are also invited to identify organised market places they are trading in, but which are not listed, in order to comply with their reporting obligation under REMIT. The Agency will proceed with the publication of the List of Organised Market Places after consulting the potential organised market places and reviewing whether they comply with the definition of organised market places.

List of Standard contracts

The List of Standard Contracts was published for the first time on the REMIT Portal on 17 March 2015. In early December last year the Agency sent an invitation to the OMPs listed on the provisional List of Organised Market Places to submit reference information on their standard contracts admitted to trading no later than 13 March 2015.

In order to facilitate reporting under the Commission's REMIT Implementing Regulation (EU) No 1348/2014, the Agency is obliged to draw up and maintain two public lists:

- **List of Organised Market Places and,**
- **List of Standard Contracts admitted to trading at organised market places.**

The first List of Organised Market Places was published on 8 January 2015 and currently contains more than 60 organised market places.

The List of Standard Contracts was published on 17 March 2015 and currently contains more than 6000 standard contracts admitted to trading at organised market places.

Both lists will be updated on a regular basis.

After the end of the collection phase, a List of Standard Contracts was drawn up and published on the REMIT portal on 17 March 2015. More than 6000 standard contracts were listed. The list will now be updated on a monthly basis.

This manual approach of data submission will remain active for the OMPs that do not plan to register as Registered Reporting Mechanisms (RRMs). For those that eventually do register as RRMs, the updating of data for the List of Standard Contracts will be done through an XML schema and the process will be automated in the

same way as for transaction reporting. As the data requested for the purpose of this list also contains the information on the OMP itself, any updates of the List of Organised Market Places will be done automatically through the submitted data on standard contracts.

Background

The purpose for the publication of the List of Organised Market Places is to enable market participants to identify a relevant OMP as a reporting channel for transaction reporting according to Article 6(1) of the REMIT Implementing Regulation.

The purpose of the public List of Standard Contracts is to display the characteristics of each contract type for which the standard reporting form is applicable and for which a reporting deadline of one working day applies.

An OMP has the obligation to provide the Agency with information on the contracts traded at that OMP. Hence, the failure of not providing the Agency with an updated List of Standard Contracts does not mean that the contract traded at that OMP is not a standard contract.

For all updates and additional information please refer to:

<https://www.acer-remit.eu/portal/standardised-contract>

and

<https://www.acer-remit.eu/portal/organised-marketplaces>

or write to:

OMPlists@acer.europa.eu

Update on the Transaction Reporting User Manual (TRUM)

Commission Implementing Regulation (EU) No 1348/2014 defines who should report transactions, the list of reportable contracts and the form as well as the time lines for reporting under REMIT. The Regulation also requires the Agency to explain the details of the reportable information in a user manual.

The purpose of this Transaction Reporting User Manual (TRUM) is to facilitate the reporting of wholesale energy products to the Agency under REMIT. The TRUM does not include details concerning the reporting of fundamental data which is an area covered by the Manual of Procedures for Transaction and Fundamental Data Reporting.

The first version of the TRUM was adopted on 7 January 2015 and published on the following day.

The TRUM should be read and used by compliance departments and compliance officers of market participants, other entities with transaction reporting responsibilities (e.g. organised market places) and third-parties acting on their behalf. The TRUM should be read by all staff with transaction reporting responsibilities.

The TRUM explains what is meant to be reported under REMIT while the Requirements for the Registration of Registered Reporting Mechanisms (RRMs) explain how to report the information. Only transactions, including orders to trade, in relation to wholesale energy products executed at organised market places, will be reported in the first phase of reporting (see time line on the front page). Hence, the first edition of TRUM covers in detail the reporting of standard contracts and presents some examples for non-standard

supply contracts and transactions in transportation contracts.

The TRUM and its Annexes will be updated in later editions to cover further areas in the light of the Agency's consultation with stakeholders and their input. The consultation will include roundtable meetings. The REMIT Quarterly will provide information on relevant updates.

The Agency intends to enhance the content of the TRUM whenever there is an added value in doing so. This may include adding clarifications and new topics. The TRUM updates anticipated in the near future concern Annex II – Trading scenarios for the purpose of REMIT data reporting with trading examples and Annex IV – Guidance on Unique Trade Identifier (UTI) generation.

The Agency is in the process of finalising additional trading scenarios, and the latest details of the UTI algorithm, for publication in the course of Q2/2015.

More information is available in the Transaction User Manual on the [REMIT Portal](#).

List of contracts to be reported (for detailed information, please refer to the TRUM on the REMIT Portal)

Supply contracts	Wholesale energy products in relation to the supply of electricity or natural gas with delivery in the Union: <ul style="list-style-type: none"> - Intraday or within-day contracts. - Day-ahead contracts. - Two-days-ahead contracts. - Week-end contracts. - After-day contracts. - Other contracts. - Contracts for the supply to a single consumption unit with a technical capability to consume 600 GWh/year or more.
Transportation contracts	Wholesale energy products in relation to the transportation of electricity or natural gas in the Union: <ul style="list-style-type: none"> - Contracts relating to the transportation between two or more locations or bidding zones concluded as a result of a primary explicit capacity allocation by or on behalf of the Transmission System Operators (TSOs), specifying physical or financial capacity rights or obligations. - Contracts between two or more locations or bidding zones concluded between market participants on secondary markets, specifying physical or financial capacity rights or obligations, including resale and transfer of such contracts.
Derivatives of energy supply and transportation contracts	Options, futures, swaps and any other derivatives of contracts relating to: <ul style="list-style-type: none"> - electricity or natural gas produced, traded or delivered in the Union, - the transportation of electricity or natural gas in the Union.
Contracts reportable on request of the Agency	The Agency can also make a reasoned request on an ad-hoc basis for a list of reportable contracts. However, if the contracts are concluded at an organised market place, then they shall be reported even in the absence of a request from the Agency.

Update on the RRM Requirements Document and the Manual of Procedures on Transaction and Fundamental Data Reporting

The Agency has provided additional templates and schemas to the Registered Reporting Mechanism (RRM) Requirements Document and finalised missing data formats and schemas for fundamental data reporting in the Manual of Procedures on Transaction and Fundamental Data Reporting.

Finalisation of missing data formats and XML schemas

In the context of the Agency's Requirements for the Registration of Registered Reporting Mechanisms (RRMs), (RRM Requirements) published on 8 January 2015, the Agency has defined the feedback schema for ARIS data submission receipts. The feedback schema will permit RRMs to receive receipts confirming each submission of data, and the Agency to provide information about the outcome of the submission.

It will, hence, allow market participants to verify whether their transaction data has been received by the Agency and is an important tool that permits RRMs and market participants to comply with their obligations according to Article 11(2) of Commission Implementing Regulation (EU) No 1348/2014 concerning the verification of the completeness, accuracy and timeliness of the data submission to the Agency.

The Agency's Manual of Procedures for Transaction and Fundamental Data Reporting published on 8 January 2015 did not include the following electronic formats: XML schema for gas fundamental data, XML schema for gas nomination data, XML schema for LNG data, XML schema for gas storage data.

At the time of the publication of the Manual of Procedures, those schemas were still being developed by the relevant industry associations, and it was

Update on the development of the ACER's REMIT Information System (ARIS)

On 17 March 2015, the Agency announced that it has completed its IT development of the ARIS release for the first phase of data collection from organised market places and ENTSO Transparency Platforms which will start as of 7 October 2015.

The release covers the reporting of non-standard supply contracts for the second phase of data collection which will start as of 7 April 2016.

The Agency therefore stands ready for REMIT data collection, but will continue refining its IT solution. In parallel, the Agency will continue to work on its IT solutions for market monitoring and data sharing as well as on its IT solution for data collection for the second phase of data collection which will start as of 7 April 2016.

Data Quality

One of the highest priorities for the Agency is to ensure sufficient data quality for data submitted by RRMs. The Agency is working on the finalisation of the validation rules for standard trades and orders and will provide further information in the coming weeks.

The technical details of the validation rules will only be available to RRMs that have entered the RRM registration process together with the RRM technical specification document after completion of the identification stage and after having signed an electronic Non-Disclosure Declaration.

ARIS maintenance news

Maintenance of ARIS will take place each Friday and could extend to the weekend. The potential partial unavailability of ARIS components will be announced on the [REMIT Portal](#).

announced that they would be added at a later stage, as soon as available.

The format for submission of Gas Fundamental data has in the meantime been defined and will be published shortly on the REMIT Portal. Once the Gas Fundamental data has been published, the full set of formats for the first phase of reporting under Commission Implementing Regulation (EU) No 1348/2014, as of 7 October 2015, will be available.

As regards the XML schema for gas nomination data, it could also be published earlier, even though it will only be relevant for the second phase of reporting, as of 7 April 2016.

The Agency is currently finalising the electronic formats for LNG and Gas Storage data as well as the data fields for these data types. The finalisation is done together with the relevant industry representatives.

The formats will be published as soon as they are available, and, in any case, well before the second phase reporting begins as of 7 April 2016, for which they are relevant.

In a Nutshell - Registration of Registered Reporting Mechanisms (RRMs)

The Agency's REMIT Information System (ARIS) was opened for the registration of Registered Reporting Mechanisms (RRMs) on 8 January 2015. The registration process consists of three stages: Identification, Attestation and Testing. This is how the Agency manages the RRM applications.

RRM registration process

When an organisation sends the Agency an RRM application form via the REMIT Portal, the relevant Agency staff will be automatically alerted. The Agency will then run a number of checks at an "identification stage". First, it is checked that the required fields contain the necessary information and that the form is complete.

The Agency also verifies that the telephone number and email indicated in the form are correct, as it is crucial that the Agency is able to easily contact the RRM when needed.

If the form is not complete, the application is rejected and the applicant has to resubmit the application. The reasons for the rejection will be provided to the unsuccessful applicant through an automated e-mail.

If the form is complete then the application is accepted and an automated message is sent to the applicant to submit further information. At this stage the applicant should, if not already done, apply for a digital certificate, by using an external application, and attach it to the submission of further information. The Agency also requests that the applicant fills in, signs and uploads a formal application form. In addition, a power of attorney has to be attached.

Both the application form and a model power of attorney are available on the REMIT Portal and in the RRM system. The digital certificate application process is explained in the RRM Requirements document Annex I. Once the applicant has submitted the further information, the Agency does a second identification check. At this stage the Agency checks the accuracy

of information on the form as well as the validity of the power of attorney.

When all information is validated, the applicant will be able to access the RRM technical specification document, after having electronically signed a Non-Disclosure-Declaration. Then, the RRM applicant can proceed with the electronic attestation and testing phases of the RRM application procedure.

During this stage the applicant will be required to provide attestations and relevant documentation, and participate in testing via the ARIS testing environment. This part is described in detail in the RRM Requirements document available on the REMIT Portal.

If the attestation and testing stages, as well as the earlier identification stage, have been completed successfully, the application is accepted and an account is created for the applicant.

The applicant will receive the RRM credentials and will be able to access the ARIS production environment.

Ongoing RRM registrations

Nearly 200 RRM had already initiated the RRM registration process by the end of March 2015. The Agency will prioritise the RRM that are required to start their reporting activities on 7 October 2015 for the first phase of reporting under Commission Implementing Regulation (EU) No 1348/2014.

Due to a very heavy workload, the Agency will therefore temporarily have to deprioritise the RRM registrations of Market Participants (MPs) which will only be relevant for the second phase of data reporting. In general, the Agency assumes, that it may take up to three months to complete the RRM registration process which also includes the RRM applicants' testing of RRM functionalities in ARIS before full access is granted.

More information about how to become an RRM is available on [REMIT Portal](#) (*Requirement for the registration of Registered Reporting Mechanisms*).



Tip

RRM registration

When requesting a digital certificate from the Agency for the RRM applicant's Administrator, please do not forget to attach the signed form for **physical users** and not for machine-machine communication to the online request.

Case statistics

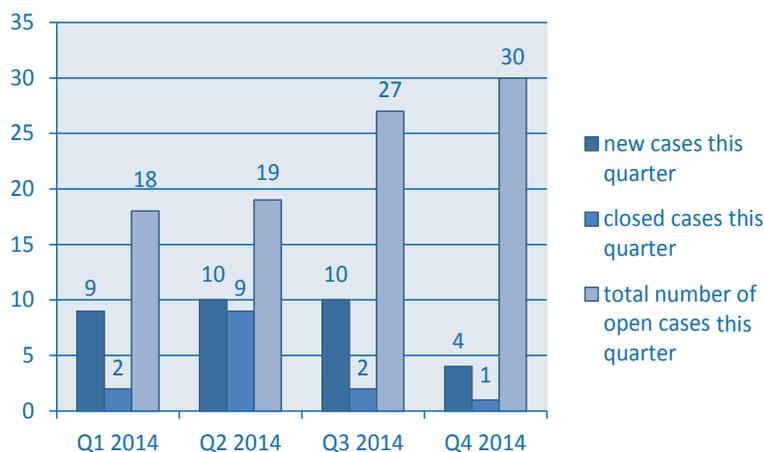
REMIT cases are potential breaches of the Regulation that are either notified to the Agency by external entities or discovered by the Agency through its surveillance activities.

A case could, after a thorough investigation by the relevant national authority, lead to sanctions. A case could also be closed without sanctions, for instance if the suspicions were unfounded.

The table to the right shows the number of cases that were under review by the Agency in the last four quarters. As more cases were opened than closed in 2014, the total number of open cases showed an upward trend. The number of open cases gradually grew from 18 to 30 by the end of the year.

The Agency is responsible for monitoring the wholesale energy markets but it

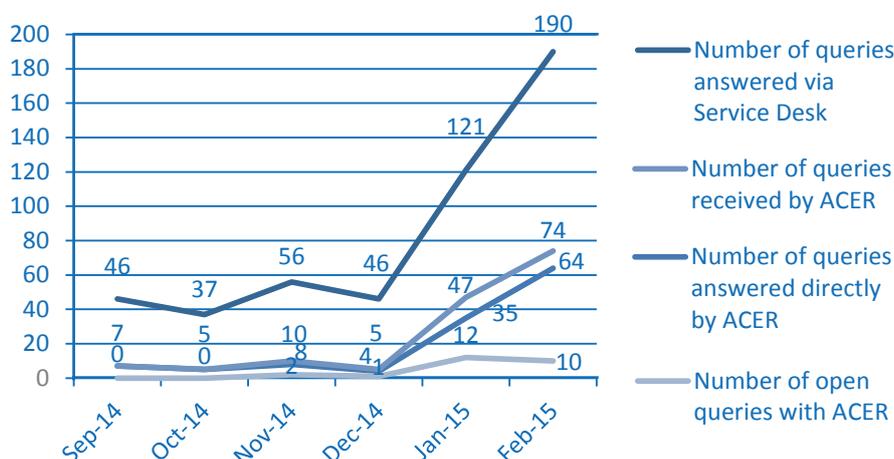
is not responsible for the investigation of potential breaches of REMIT. The EU Member States have the obligation to ensure that their National Regulatory Authorities have the required investigatory and enforcement powers to accomplish this.



Query statistics

The Agency receives an increasing number of questions via different channels concerning REMIT and the applications that the Agency has put in place for its stakeholders. The table below shows the number of questions the Agency answered during the past months.

Due to the high number and regularity of the queries, the Agency has put in place a procedure where it normally responds to questions through a new edition of the REMIT Q&A paper which is published every month.



DISCLAIMER

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