

6th **REMIT FORUM**

Transparency and integrity of
stressed power and gas markets

25.10.2022

MAIN TAKEAWAYS



- Context: Wholesale energy markets are under significant stress as reflected in high prices and high volatility. Increasing collateral and margin call requirements have further worsened the situation.
- FERC¹, the Energy Community², large consumers industry, ESMA³ and national regulators for energy shared with the Forum their views about the consequences of stressed wholesale energy markets and potential ways forward.
- The Forum also pointed to the evolution of energy wholesale markets with increasingly more trading in financial products rather than traditional energy wholesale products and the rise of high frequency trading.
- The Forum reiterated the value of REMIT, especially in times of stressed markets⁴.
- Some speakers and panellists expressed caution about market design interventions being discussed under high political pressure as they may solve very short-term issues but have detrimental consequences soon after.
- REMIT needs an evolution and not a revolution. The evolution should go into the direction of a harmonisation of fines⁵ and a focus on enforcement.

¹ [Federal Energy Regulatory Commission](#)

² [Energy Community](#)

³ [European Securities and Market Authority](#)

⁴ 82% of the 57 voters replied “Yes” to the question “Do you deem it important that specifically in these times when energy markets are under stress that REMIT is being enforced?”

⁵ 81% of the 53 voters agreed with the following statement: “The fines issued by the NRAs under REMIT should be significantly harmonised.”

- Stakeholders agreed on the need to improve data reporting for the purpose of increasing data quality, but asked for a more balanced approach that keeps together markets development and reduction of administrative burdens.
- More transparency on REMIT breach cases taken at national level would be welcomed in order to support market participants to understand the lessons-learnt and have a direct impact on their trading activity.
- Burdens on reporting parties need to be kept in mind when deciding about the necessity of further data collection.
- Data reporting at national level is a growing issue for market participants; an optimization of the process would be welcomed as well as a role for ACER.
- Regarding inside information disclosure, a single platform managed by ACER would be welcomed, together with the definition of thresholds.

Slides of the ACER 6th REMIT Forum
are available [here](#).



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