ACER

Agency for the Cooperation of Energy Regulators

Publishing date: 04/12/2012

Document title: 3rd Ad hoc Experts Group meeting on REMIT Implementation Measure

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3rd Ad hoc Expert Group meeting on REMIT Implementation Measures

Thursday 11 October 2012 from 09:00 to 15:15

ACER Premises, Trg Republike 3, 1000 Ljubljana, Slovenia

DRAFT Minutes (V3)

(Chatham house rules, no names basis in quotes)

Regulators			
Volker	Zuleger	ACER	Chair
Elio	Zammuto	ACER	
Tommy	Johansson	ACER	
Axel	Biegert	BNetzA	
Geoff	Boon	E-Control (Austria)	
Ross	MacDonald	E-Control (Austria)	
Kate	Murphy	Ofgem (UK)	

Experts		
Amrik	Bal	Shell Energy Europe Ltd
Camilla	Berg	Nordpool Spot
Mark	Dalton	BG Group
Michel	Gadaleta	JP Morgan
Karl-Peter	Horstman	RWE Supply & Trading
Daniela	Nigro	Endesa SA
Fabrizio	Rinaldi	Edison Trading SpA
Jean Michel	Salagnac	Edf
Barry	Shackleton	ExxonMobil Gas & Power Marketing
Daniel	Wragge	European Energy Exchange (EEX)

1. Opening

The meeting was opened by the chair. There were no comments on the agenda and on the minutes of the last meeting.

2. Recent issues

The chair gave a quick update on recent ACER activities in the context of REMIT.

The Group discussed the ongoing review of European financial market legislation and the potential interaction between REMIT, EMIR, MiFID/MiFIR and MAD/MAR. Several experts expressed their concerns about the potential negative impact of the review of the EU financial market legislation on wholesale energy markets. It was agreed to follow-up on that issue in the next meeting.

3. ACER Recommendations on the REMIT records of transactions and the DG Energy Consultation document: expert views

Concerning the DG Energy Public Consultation document on the implementation of a data and transaction reporting framework, ACER staff asked the experts for their initial views on the document.

One expert was surprised that the consultation went out before ACER published its recommendations to the EC and other experts were highlighted the rather high level consultation which is asking questions to industry on the same topics for the 3rd time (DG ENER consultants first, ACER after and then the EC). Another member of the Expert Group argued that the EC consultation mostly focuses on organised markets rather than over-the-counter (OTC) markets.

Other issues that were discussed included the distinction between standardised and non-standardised contracts, and the white list for fully reportable transactions.

Some experts expressed concerns about the fact that the Commission seems to regard exchanges as market participants. Other members flagged that it would have been more useful a plain field consultation.

ACER staff made a comparison between the DG ENER consultants' advice and the ACER recommendations to the EC and presented ACER's recommendation of four levels of transaction reporting: 1) Records of Transactions from Organised Markets, 2) Records of Transactions in standardised Transactions and Contracts, including Derivatives, for the reporting of market participants through RRMs 3) Records of Transactions in Non-Standardised Energy Commodity Contracts from market participants ("non-standard reporting form"); and 4) Nomination/scheduling information from TSOs.

ACER staff presented a summary of the list of fields for the transaction reporting, explained the main differences with the fields required under EMIR and the need for a taxonomy.

On the transaction reporting topic, an expert suggested that the newly established ACER IT Expert Group should plan ahead the timing and the technical specifications highlighting the potential difficulties for the implementation of a transaction reporting system for both ACER and market participants and it was suggested that due to the involvement of IT experts in the implementation process it would be useful to have at least one joint REMIT implementation and IT expert group meeting.

The mandatory reporting of organised market places proposed in the ACER Recommendations was also discussed. One expert raised concerns that exchanges should not be responsible for the mandatory reporting of executed transactions and orders to trade. ACER staff argued that this would be a solution that would impact market participants least as the date would be reported by entities that already have it at hand. The discussion moved into the costs market participants and organised market places would have to sustain and a member raised the issue that it is not clear who should pay for transaction reporting costs. ACER staff considered that it would probably less costly for market participants if organised market places report the executed transactions and orders to trade, but that organised market places could probably ask for a fee from market participants for the reporting of information to the Agency.

4. Potential topics for 3rd edition of ACER Guidance on the application of REMIT

ACER staff expressed gratitude for the input on the 2nd edition of the ACER Guidance on the application of REMIT addressed to NRAs and clarified that those comments received and not included in the 2nd edition of the Guidance will be considered for the next edition. ACER staff also summarised the differences between the 1st and the 2nd edition of the Guidance.

ACER asked views on the possible topics for the 3rd edition of the ACER Guidance which will be most likely published in mid-2013 at the earliest. Experts were invited to consider new topics to be discussed at the next Expert Group meeting.

It was announced that ACER is working on a new edition of the REMIT Q&A document of which the 1st edition is already available to the public on ACER's website.

5. AOB, next meeting

The next meeting will take place in end of November in Vienna. An agenda will be circulated in advance of the meeting.

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