



Agency for the Cooperation
of Energy Regulators

*Head of the Market Integrity
and Transparency Department*

Ljubljana, 19 July 2018
ACER-VZ-MS-tl-2018-389

To whom it may concern

Subject: Second Open Letter on REMIT data quality

Dear Sir or Madam,

The purpose of this letter is to liaise with reporting parties in order to improve data reporting under REMIT. The Agency for the Cooperation of Energy Regulators ('the Agency') still continues to conduct regular assessments of the completeness, accuracy and timely submission of the data received under Regulation (EU) No 1227/2011 on wholesale energy market integrity and transparency (REMIT).

The current level of data quality already allows the Agency to perform its market monitoring activities by implementing an automatic screening process in respect of transactions of energy products traded on European wholesale markets. For this purpose, the Agency developed and calibrated specific alerts to detect instances of unusual trading behaviour in electricity and gas.

The Agency is committed to ensuring a high quality of transaction and fundamental data reporting, and will continue to devote specialist supervisory efforts to this endeavour in order further to advance its market monitoring capabilities. This second Open Letter on REMIT data quality complements the first Open Letter on REMIT transaction reporting data quality, which the Agency published on 16 February 2017.

Who should read this letter

- Organised Market Places (OMPs), Market Participants (MPs), and Registered Reporting Mechanisms (RRMs) which assist their clients with the transaction reporting obligation under REMIT; and
- Transmission system operators (TSOs), System storage operators (SSOs), LNG system operators (LSOs), other MPs, and RRM which assist their clients with the fundamental data reporting obligation under REMIT.

Why should reporting parties read this letter

The Agency has been reviewing the submitted data in order to assess its completeness, accuracy, and timely submission.

According to Article 11(2) of Commission Implementing Regulation (EU) No 1348/2014 ('Implementing Regulation'), persons required to report data referred to in Articles 6, 8 and 9 of the Implementing Regulation shall have the responsibility for the completeness, accuracy and timely submission of the data to the Agency.

The term 'reporting party' includes all persons required to report data referred to in Articles 8 and 9 of the Implementing Regulation, as well as third parties referred to in Article 11(2) of the Implementing Regulation.

Following its data quality assessments, the Agency has been detecting common types of data quality issues (please see Annex I), and therefore advises OMPs, MPs, SSOs, and LSOs to continue their own reviews of their REMIT data reported to date, so that they can provide correct reports in the future, amend previously submitted incorrect reports, and provide additional information when requested by the Agency in line with Article 6(8) of the Implementing Regulation.

What the Agency is doing and why

The purpose of the Agency's review of the submitted data **is to help reporting parties** to ensure that the data reported to the Agency is **consistent with the REMIT requirements**¹. This activity will also enable the Agency and National Regulatory Authorities (NRAs) effectively to fulfil their market monitoring tasks, as specified in Article 7 of REMIT, which require the submission of complete and accurate data to the Agency in a timely manner.

What reporting parties may expect from the Agency

The Agency will inform NRAs, OMPs, and RRM of the detected data quality issues. RRM will receive generic and/or specific reports on detected issues, describing the type(s) of issues the Agency has identified and the action required from OMPs, MPs, or RRM.

In case MPs identify, on the basis of their own assessments or on the basis of the common types of data quality issues referred to in Annex I, that they have reported data erroneously, they should liaise with their RRM in order to make the necessary corrections. The relevant RRM will then inform the Agency accordingly.

The Agency will consider introducing additional validation rules with regard to the observed data quality issues, if necessary, to assure compliance as well as the improvement of REMIT data.

What the Agency expects from reporting parties

The Agency expects reporting parties to be responsive and engage with the Agency in order to clarify and resolve any detected inconsistencies in a timely manner.

¹ Please consult the Agency's Transaction Reporting User Manual (TRUM), the Manual of procedures (MoP on data reporting) and the FAQs documents on transaction reporting, fundamental data and inside information available on the Agency's REMIT portal, <https://www.acer-remit.eu/portal/home>.

The Agency is ready to accommodate for new market developments, such as introduction of new wholesale energy contracts and ways of transacting. To avoid data quality issues in the first place, the reporting parties should liaise with the Agency *ex-ante*, informing the Agency when a reporting party changes its reporting pattern or introduces new contracts that may not be addressed in the existing guidance.

In the Agency's view, reporting parties which actively engage with the Agency in the prevention and resolution of data quality issues strengthen their compliance with the REMIT reporting obligation. Namely, a cooperative attitude towards improving data quality may possibly resolve other inconsistencies in the data that a relevant party has submitted over time.

Next actions to be taken by the Agency

The Agency prefers to resolve data quality issues by cooperating with reporting parties, but enforcement action will be initiated if necessary. Specifically, a lack of engagement, unreasonable delays in responding to the Agency's requests, non-reporting, continuous submission of incorrect data, or repetitive re-submission of data that is not in line with the provided guidance can be considered failure to comply with REMIT reporting obligations (Articles 8 and 9 of REMIT). In such cases, the Agency will liaise with the relevant NRA(s) to take potential enforcement action.

The Agency will continue to conduct periodic data quality assessments in order to monitor data quality, and will update stakeholders regularly on this matter. The Agency will also continue to create opportunities and practices for the exchange of information, such as roundtables and bilateral meetings, RRM user group meetings and webinars, and any other activity that may assist interested parties to actively engage with the Agency in the solving of REMIT data quality issues.

Should you have any questions, please do not hesitate to contact us at remit@acer.europa.eu.

Yours faithfully,

signed
Volker Zuleger
Head of the Market Integrity and
Transparency Department

Annex I: Common types of data quality issues

This Annex describes the most common types of data quality issues the Agency has observed in the recent period. It should not be considered exhaustive. For a better understanding of how to report in full compliance with the requirements under REMIT, please refer to the Agency's REMIT reporting user package giving guidance on transaction reporting, namely the Transaction Reporting User Manual (TRUM) and the FAQs on transaction reporting, and on transaction and fundamental data reporting, namely the Manual of Procedure on data reporting and the FAQs on fundamental data reporting, and liaise with the RRM reporting on your behalf as they may have additional instructions.

Transaction reporting

Trading capacity of the market participant or counterparty misreporting

Reference: TRUM - Table 1 Trading capacity of the market participant or counterparty in field 1 (10) and Beneficiary ID (8)

Description: The field Trading capacity of the market participant or counterparty in field 1 (10) identifies the trading capacity of the market participant or counterparty in field 1. Unless the market participant is acting on behalf of a third party as an agent, this field shall be populated with "P" for Principal. If the market participant is acting on behalf of a third party as an agent and the beneficiary identification is known and reported in field 8, this field may be populated with "A" for Agent. Reporting parties should verify how they report this field in order to represent the correct behaviour on the market.

Missing or inaccurate Linked order ID reporting

Reference: TRUM - Table 1 Linked order ID (33)

Description: The Agency is observing trade records for standard contracts, where the field Linked Order ID is not populated or the indicated Linked order is not reported. The field Linked order ID identifies a transaction which is the result of an executed order. The linked order ID shall be used when an order is executed, the trade report or results report (for auctions) should contain the field Linked Order ID to identify the order that triggered the trade to occur; and when an order has a special condition that links the order to another order, e.g. the order type is a block or exclusive order.

Inaccurate reporting of Transaction Timestamps

Reference: TRUM - Table 1 Data Field No (30) Transaction timestamp

Description: The Agency is observing Transaction Timestamps on orders and trades which are not compliant with the guidance provided by the Agency when audited against reference data sources. For standard contracts traded at OMPs, the Agency expects timestamps to be as accurate as possible to the lowest possible granularity. For that matter, this applies to any time-field for orders and trades. A trade resulting from a matched order, should indicate exactly the same timestamp of the matched order.

Reporting of not accepted Delivery point or zone codes

Reference: TRUM - Table 1 Data Field No (48) and Table 2 Data Field No (41) Delivery point or zone

Description: The Agency is observing reporting delivery point or zone codes not on the List of accepted EICs. The Agency has provided extensive additional guidance on the correct use of EIC codes when reporting delivery point or zone codes. The Agency has published the list of accepted EIC codes for REMIT transaction reporting purposes. The guidance can be found on the REMIT portal under TRUM ANNEX VI – Additional information on how to correctly report the Delivery point or zone. Reporting parties should be more accurate in reporting accepted delivery point or zone codes when reporting transactions under REMIT. In order to help reporting parties to comply with Article 8 of REMIT, the Agency is planning to enable a validation rule which will reject records referring to delivery point or zone codes not on the List.

Inaccurate Delivery point or zone code reporting

Reference: TRUM - Table 1 Data Field No (48) and Table 2 Data Field No (41) Delivery point or zone

Description: In some cases, the Agency is observing reporting of inaccurate delivery points or zones, pointing transactions to a different contract as assumed intended. Reporting parties should verify the reference data they use in order to ensure accurate reporting of delivery point or zone codes. The validation rule in ARIS which will reject records referring to not accepted delivery point or zone codes will not reject inaccurate reports. Also, the record will be consequently be shared with the wrong NRA to which the reported delivery point or zone corresponds to.

Inaccurate delivery profile definition

Reference: TRUM – Table 1 and 2 Data fields related to delivery profile in particular Load delivery intervals (54)

Description: The Agency is observing inaccurate delivery profile definitions. There is extensive guidance provided on this topic in the Agency’s REMIT Reporting User Package. The field Load delivery intervals (54) identifies the load intervals for the delivery of the product (gas or electricity) and shall be expressed in local time at the delivery point or zone. Also, field Delivery start and end dates (49, 50) should correspond with local time at the delivery point or zone.

Reporting of Transaction Timestamps in local time

Reference: TRUM - Table 1 Data Field No (30) Transaction timestamp

Description: The timestamp should always be represented in UTC time format. Transactions that occur in a different time zone have to be converted and represented in UTC time format.

Non-reporting of registered market participants

Reference: Article 8 of REMIT

Description: When assessing completeness of REMIT data reported, the Agency identified market participants that were registered in CEREMP, for which there was no evidence of data reporting for the time interval under review. The Agency has shared the findings with relevant NRAs in order to enable them to verify compliance of the identified market participants with Articles 8 and 9 of REMIT.

Timeliness of transaction reporting

Reference: Article 8 of REMIT; Article 7 of the Implementing Regulation

Description: When assessing timeliness of REMIT data reported, the Agency identified transactions that did not comply with the requirements of timely transaction reporting. Transactions related to products admitted to trading at OMPs are subject to the reporting obligations for standard contracts and reportable on a T+1 day basis, irrespective of whether they are traded on screen or voice brokered. Transactions related to any other product that is not a standard contract are subject to the reporting obligations for non-standard contracts and reportable on a T+1 month basis.

The analysis serves as a basis for interaction of NRAs and market participants. Not reporting transactions in a timely manner, may be understood as a breach of Article 8 of REMIT.

Fundamental data and transportation contracts reporting

Reporting of inactive, wrong, non-existent and not registered EIC X codes

Reference: Article 9 of REMIT; Article 10 (2) of the Implementing Regulation

Description: Market Participants are predominantly identified with EIC X codes in electronic formats for electricity and gas nominations and transportation contracts. The Agency analysed these reported data in order to find out if the reported EIC X codes identifying Market Participants are registered in CEREMP. The Agency observes the following:

A) Market Participants are not registered in CEREMP

TSOs report nominations from Market Participants, Shippers, however some Shippers have not registered as Market Participants in CEREMP. TSOs also report primary allocations data specifying the Market Participant to which the capacity is assigned however some of these Market Participants did not register in CEREMP. Similar issues occur for secondary trading.

The Agency works closely with NRAs, ENTSO-E, ENTSOG and TSOs to remedy the issue however the Agency stresses **that it is the obligation of Market Participants to register in CEREMP. Not registering as Market Participant is a breach of Article 9 of REMIT.**

In Austria and Germany the gas nominations are provided by Balance Groups (BGs) and Balancing Group Responsible parties (BGRs) respectively to TSOs. BGRs/BGs are identified with EIC Y and ZSO codes in gas nominations. ZSO and EIC Y codes are not collected in the registration of Market Participants in CEREMP. Some BGRs and BGs are also Market Participants registered in CEREMP. If the BGR/BG is nominating gas for its own portfolio it should use the EIC X code provided in CEREMP instead of the EIC Y or ZSO codes.

The Agency works closely with NRAs, ENTSO-E, ENTSOG and TSOs to remedy the issue however the Agency stresses **that it is the obligation of Market Participants to use the codes registered in CEREMP for reporting purposes pursuant to Article 10(2) of the Implementing Regulation.**

B) Market participants do not provide their EIC X code used for REMIT reporting in CEREMP

Market participants do not register their EIC X code in CEREMP, but use the non-registered EIC X code for REMIT reporting purposes. According to ACER Decision 01/2012 determining the format of the registration, Market Participants are obliged to provide their EIC X code in CEREMP if available.

Not providing a complete registration (e.g. not providing an EIC X code the Market Participant possess) is a breach of Article 9 of REMIT.

C) Market Participants have more than one EIC X code

The Agency observes instances where Market Participants use more than one EIC X code for REMIT reporting purposes. However, according to ACER Decision 01/2012 determining the format of the registration, each Market Participant is required to register only one unique EIC X code in CEREMP. The use of multiple EIC X codes may lead to situations where Market Participants use e.g. one EIC X code for the communication with the TSO (i.e. nominations)

and this code differs from the EIC X code provided in CEREMP. Market Participants, and third parties reporting on their behalf, shall ensure that the registered EIC X code in CEREMP is the unique EIC X code used for REMIT reporting purposes.

D) Market Participants use wrong code type of EIC codes for the identification

Market Participants shall use only the EIC code type that identifies a party, i.e. EIC X. Other types of EIC codes, e.g. EIC Y, W, Z and others shall not be used when identifying parties.

E) Market Participants use inactive or non-existent EIC codes

Market Participants use EIC codes that are inactive or codes that resemble EIC codes, but are not EIC codes issued by the Central Issuing Office or Local Issuing Offices.

The Agency calls on Market Participants that nominate and conclude transportation (capacity) contracts with TSOs and are active in secondary trading of transportation (capacity) contracts to use the correct and unique EIC X code registered in CEREMP in their communication systems towards TSOs and other reporting entities (e.g. allocation offices) in order to allow TSOs and other reporting entities obliged to report data on behalf of Market Participants to provide the Agency with data in compliance with Article 10(2) of the Implementing Regulation.

The Agency also calls on RRM reporting data on behalf of Market Participants to verify if the EIC X code provided by Market Participants is correct and active before submitting data to the Agency.

REMIT LNG data reporting

Inaccurate Gas day duration reporting

Reference: MoP on data reporting - gasDayStart/gasDayEnd in lngFacilityReport, lngParticipantActivityReport, lngPlannedUsageReport

Description: Variety of gas day duration (date + time) reporting are encountered when LSOs/MPs report events in gas day resolution causing difficulties to uniquely interpret the time period to which reported data refers to. Reporting parties are not respecting gas day definition and/or are applying different offsets (+) in regard to the same time zone for summer/winter period. 'Gas day' means the period from 5.00 to 5.00 UTC the following day for winter time and from 4.00 to 4.00 UTC the following day when daylight saving is applied. The reported gas day shall be the gas day of the country where the facility is located. Thus, if a MP is located in e.g. Spain and reports LNG data about a facility located in Portugal the gas day of Portugal shall be used. The examples reported and their correct version is provided in the Annex II to this letter.

Noncompliance of gas day resolution reporting

Reference: MoP on data reporting - gasDayStart/gasDayEnd in lngFacilityReport and lngPlannedUsageReport

Description: LSOs/MPs report events not respecting a daily resolution of reported events that has been defined in the MoP on data reporting and are reporting a status of a facility or its planned usage for a period of several gas days within one record.

Duplication of reported LNG data records

Reference: MoP on data reporting - lngFacilityReport, lngParticipantActivityReport, lngPlannedUsageReport, lngUnavailabilityReport

Description: It was noticed that the same record content has been reported several times. Once reported the record should be re-submitted only if there was an error reported in the original record or other changes occurred (such as for example modification/cancellation of unavailability announcement or change of the available capacity and similar).

Frequency of providing LNG reports is not compliant with REMIT Implementing Regulation (EU) No 1348/2014

Reference: Article 9 (3) and (4) of REMIT Implementing regulation.
MoP on data reporting - lngFacilityReport,

Description: The Agency is observing that frequency i.e. number of records expected and submitted is not in line with provision from Implementing Regulation. The Agency expects reports from all LNG facilities for each gas day.

Wrong codes used for “IngFacilityIdentifier”

Reference: MoP on data reporting – IngFacilityIdentifier in IngFacilityReport, IngParticipantActivityReport, IngPlannedUsageReport, IngUnavailabilityReport

Description: For IngFacilityIdentifier EIC W and Z codes are the only acceptable (i.e. compliant with MoP on data reporting) codes. The Agency has noticed that however also other types of codes have been reported, i.e. EIC X, Y and ACER codes. EIC Z codes shall be used only in IngUnavailabilityReport when reporting unavailability of a connection point and not the facility. The Agency has prepared a List of LNG facilities and operators to be used for the LNG REMIT reporting.

Inconsistent notifications of LNG unavailability publicly available and reported to the Agency

Reference: MoP on data reporting – IngUnavailabilityReport

Description: The Agency is observing inconsistent notifications of LNG facility unavailability published at publicly available web sites (for example LSOs’ webpage) and provided through REMIT reporting. Details of LNG facility unavailability reported under REMIT and publicly available have to be the same. This is a major data quality issue resulting in the fact that the Agency has a completely different picture about the same event compared to public and mainly those using publicly available data to make their trading decisions.

Timeliness of providing LNG reports not compliant with REMIT Implementing Regulation provisions

Reference: Article 9 (3), (4), (5) and (6) of REMIT Implementing regulation
MoP on data reporting - IngFacilityReport, IngParticipantActivityReport, IngPlannedUsageReport, IngUnavailabilityReport. FAQ 3.2.8. on REMIT fundamental data and inside information collection

Description: The Agency is observing timeliness issue of reporting LNG data. The information referred to the LNG reporting is not made available following working day.

REMIT Storage data reporting

Timeliness of providing Storage Facility reports and Storage Participant Activity Report not compliant with Implementing act provisions

Reference: Article 9 (8) and (9) of REMIT Implementing Regulation
MoP on data reporting - StorageFacilityReport, StorageParticipantActivityReport

Description: The Agency is observing Storage Facility Reports and Storage Participant Activity Reports that did not comply with requirements on timely reporting. The Agency also observed some cases of early reports (reported before the respective gas day has started).

Correctness of providing Storage Participant Activity Report not compliant with Implementing Regulation provisions

Reference: Article 9 (9) of REMIT Implementing Regulation
MoP on data reporting - StorageParticipantActivityReport

Description: The Agency is observing incorrect reports with regards to reported amount of gas stored at the end of the gas day. The amount of gas stored at the end of the gas day should never be a negative value.

Frequency of providing Storage Facility reports not compliant with Implementing Regulation provisions

Reference: Article 9 (7) and (8) of REMIT Implementing Regulation
MoP on data reporting - StorageFacilityReport

Description: The Agency is observing that the frequency i.e. number of records expected and submitted is not in line with the REMIT Implementing Regulation. For some storage facilities the foreseen reports are not provided in the stipulated frequency. The Agency expects reports from all storage facilities for each gas day.

Annex II: Examples of reported gas days

No.	Reported “gasDayStart”	Reported “gasDayEnd”	Country of the facility	Correct “gasDayStart” and “gasDayEnd”
1	06-APR-16 06:00:00.000000000 +02:00	07-APR-16 05:59:00.000000000 +02:00	Spain	“gasDayStart” is correct. Correct “gasDayEnd is:” 07-APR-16 06:00:00.000000000 +02:00 <i>Note: FAQ 3.3.4 and MoP on data reporting will be aligned</i>
2	29-JUL-16 04:00:00.000000000 +00:00	30-JUL-16 04:00:00.000000000 +00:00	France	Correct
3	01-APR-17 00:00:00.000000000 UTC	02-APR-17 00:00:00.000000000 UTC	Netherlands	Correct “gasDayStart”is: 01-APR-17 <i>04:00:00Z or</i> 01-APR-17 or <i>04:00:00+00:00 or</i> 01-APR-17 06:00:00+02:00 Correct “gasDayEnd”is: 02-APR-17 <i>04:00:00Z or</i> 02-APR-17 or <i>04:00:00+00:00 or</i> 02-APR-17 <i>06:00:00+02:00</i> (preferred option)
4	01-APR-17	02-APR-17	Lithuania	Correct “gasDayStart”is:

	05.00.00.000000000 +03:00	05:00.00.000000000 +03:00		01-APR-17 <i>04:00:00Z or</i> 01-APR-17 <i>04:00:00+00:00 or</i> 01-APR-17 07:00:00 +03:00 Correct "gasDayEnd" is: 02-APR-17 <i>04:00:00Z or</i> 02-APR-17 <i>04:00:00+00:00 or</i> 02-APR-17 07:00:00 +03:00
5	01-APR-17 05.00.00.000000000 UTC	02-APR-17 05:00.00.000000000 UTC	UK	UTC string not valid. Correct "gasDayStart" is: 01-APR-17 <i>04:00:00Z or</i> 01-APR-17 <i>04:00:00+00:00 or</i> 01-APR-17 05:00:00 +01:00 Correct "gasDayEnd" is: 02-APR-17 <i>04:00:00Z or</i> 02-APR-17

				04:00:00+00:00 or 02-APR-17 05:00:00 +01:00
6	04-MAY-17 07.00.00.000000000 +03:00	05-MAY-17 07.00.00.000000000 +03:00	Greece	Correct
7	19-NOV-16 05.00.00.000000000 +00:00	20-NOV-16 05.00.00.000000000 +00:00	Portugal	Correct
8	18-FEB-17 00.00.00.000000000 UTC	19-FEB-17 00.00.00.000000000 UTC	Netherlands	UTC string not valid. Correct "gasDayStart" is: 18-FEB-17 05:00:00Z or 18-FEB-17 05:00:00+00:00 or 18-FEB-17 06:00:00+01:00 Correct "gasDayEnd" is: 19-FEB-17 05:00:00Z or 19-FEB-17 05:00:00+00:00 or 19-FEB-17 06:00:00+01:00 (preferred option)
9	02-JAN-17 07.00.00.000000000 +02:00	03-JAN-17 07.00.00.000000000 +02:00	Greece	Correct