

By email to: REMIT.PublicConsultations@acer.europa.eu

Response from:

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ELEXON LTD'S RESPONSE TO ACER'S CONSULTATION ON THE REMIT TRADE REPORTING USER MANUAL (TRUM) - PC_2014_R_02

Dear Sir/Madam,

We welcome the opportunity to respond to this consultation.

What is ELEXON Ltd's role?

ELEXON Ltd delivers the centrally-mandated electricity settlement services that are critical to the successful operation of Great Britain's electricity trading arrangements under the national GB Balancing and Settlement Code (BSC). We manage processes and systems from electricity meter to bank, handling over £1.5 billion of transactions and interacting with over 250 companies in the British electricity industry. As part of this we administer the settlement of the GB Balancing Mechanism and GB imbalance settlement for generators and suppliers in respect of each half hour of each day. We are independent of any specific interests within the electricity sector.

What is our interest in REMIT reporting?

We are interested in REMIT reporting is because ELEXON might eventually be required to undertake some REMIT reporting on behalf of our TSO and/or GB market participants.

Whether we are required to undertake any reporting is very much dependent what is required to be reported as prescribed by the REMIT implementing act. (For example if nothing is reportable from the set of data that we already hold, then it is unlikely that we will be asked to undertake any REMIT reporting on behalf of our TSO or GB market participants). And any reporting that we are requested to undertake by our TSO or market participants is dependent on decisions by our NRA on whether this is appropriate.

However, subject to this, we foresee the following might be required of us:

- To provide a web feed for ACER from our GB electricity inside information reporting platform;
- To report to ACER the physical nominations of market participants in the GB electricity market that we currently hold; and
- To report to ACER some electricity balancing services data that we currently hold.

OUR RESPONSE

The views expressed in this response are those of ELEXON Limited alone, and do not seek to represent those of the Parties to the GB Balancing and Settlement Code (BSC). And our response does not seek to favour any particular policy but rather to comment on the practical implementation.

The structure of this response is as follows:

- General comments
- Answer to specific consultation Questions

General Comments

Establishment of an ACER REMIT Helpdesk

As part of REMIT trade reporting, ACER will be receiving data directly from market participants, and third parties reporting on their behalf, from all over Europe.

These parties are therefore likely to wish to ask questions of ACER regarding REMIT reporting, particularly:

- technical questions about how to develop their data interfaces with ACER; and
- questions of clarification as to what is required in each data field.

Questions are most likely to arise during the set-up and implementation phase, but also possibly on an ongoing basis for new participants entering the markets and when new types of contract are introduced.

In general, we understand that parties are required to report their data within one working day. So these parties are likely to want quick access to advice from ACER once they are actively reporting.

For all these reasons ACER may wish to establish a REMIT helpdesk where all these parties could seek help in their REMIT reporting obligations.

It may be that the dedicated email for questions remit@acer.europa.eu, which ACER has helpfully set up, will be sufficient as long as, in the case of questions regarding data that have to be reported within a single day, these questions could be prioritised so that answers are available in time for participants and third party RRM's to fulfil their obligations within the times set out in REMIT. Or where, if necessary, people can discuss questions directly with ACER, e.g. by phone or web chat.

Reporting of balancing energy and balancing capacity contracts

We believe it would aid clarity to confirm in the TRUM that this initial version of the TRUM does not cover balancing energy or balancing capacity contracts.

Although balancing energy and balancing capacity contracts are, we understand, not reportable initially, we would also note that the data fields specified in this initial TRUM do not all easily map to the type of balancing energy contracts (known as Bid/Offer Acceptances) that we settle for our TSO, National Grid. Or at least we will require further guidance as to how to populate the data fields if we are required to report such contracts in future.

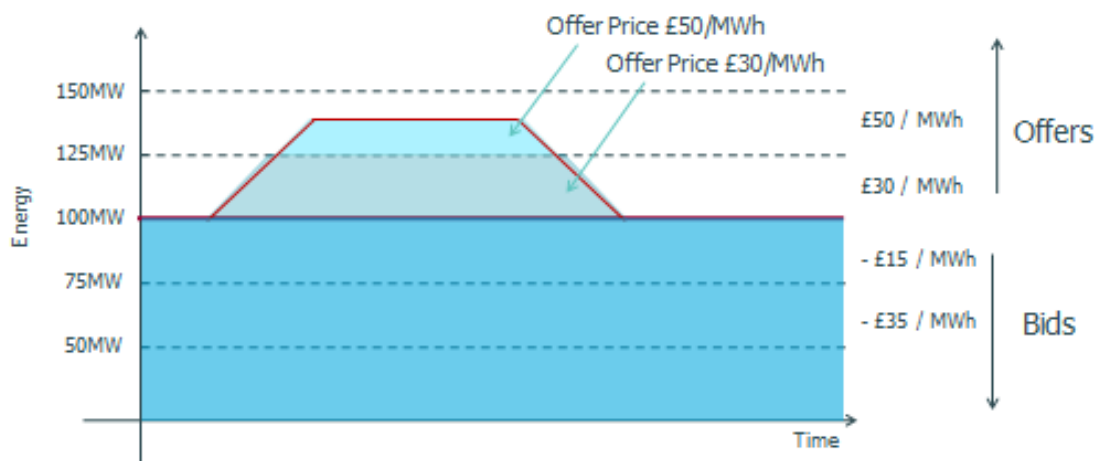
For example, our contracts are minute by minute variable and more than one price is applicable to each contract, e.g. both when certain MWh volume thresholds are crossed within a half hour and

when a half hour boundary is crossed. Therefore, if eventually used for the reporting of balancing energy contracts, we will need further guidance as to how to populate the data fields.

For example, the following diagram shows an example of a single Bid/Offer Acceptance that has two prices (£30/MWh for power generation between 100MW and 125MW; and £50/MWh for power generation between 125MW and 150MW)

Trading – Bid/Offer Acceptance

A Bid/Offer Acceptance to increase generation above the scheduled 100MW within a single half hour would look like this:



We recognise that over time specific balancing energy contracts such as the one above will be largely superseded by standard products such as those under the European Electricity Balancing Network Code for electricity and the equivalent for gas, but as the scope of REMIT extends to all wholesale transactions, the reporting arrangements will always need to cater for both standard European products and any specific, local TSO, product trading.

Reporting of Fundamental Data

We note that this initial version of TRUM does not cover fundamental data reporting, but will do in later versions. However, we understand that reporting of some fundamental data may be required as soon as 6 months after the Implementing Act come into force, i.e. at the same time as standardised contracts. For this reason priority should be given to republishing the TRUM with the requirements for fundamental data reporting included as soon as possible.

Comments in answer to specific consultation questions

1. Data Fields (Annex 1)

1.1 Table 1

1.1.1 Fields 1 and 5: As written in Table 1 this appears to require both parties to a transaction to report the transaction to ACER. Or, in the case of third party reporting on behalf of both parties, the third party has to provide two reports to ACER for the same transaction. This is implied by the use of the terms "on behalf of who the record of transaction is reported" in Field 1 and "other Counterparty" in Field 5? So in the first report Party A would be listed in Field 1 and Party B in Field 2; for the second report Party B would be listed in Field 1 and Party A in Field 2. However, Chapter 10 of the draft TRUM on "How can double reporting be avoided" suggests that this will not be acceptable.

1.1.2 Field 26 references field 65, but there is no field 65 in Table 1 or Table 2.

1.2 Table 2

1.2.1 Fields 1 and 3: We have the same comment here as we had for Fields 1 and 5 in Table 1. As written in Table 2 this appears to require both parties to a transaction to report the transaction to ACER. Or, in the case of third party reporting on behalf of both parties, the third party has to provide two reports to ACER for the same transaction. However, Chapter 10 of the draft TRUM on "How can double reporting be avoided" suggests that this will not be acceptable.

2. Field Guidelines (TRUM Chapter 6)

2.1 Field 34: For the type of balancing energy contracts that we currently use, there will not be a single price – each half hour settlement period could have a different price; and different MW levels could have different prices (see diagram above in the general comments section).

2.2 Fields 35 and 36: It should be made clear that these can be left blank if there is no fixing index.

2.3 Fields 40 and 41: the different meanings of these two fields is unclear to us.

2.4 Fields 46 to 49 inclusive: It should be made clear that these can be left blank if the contract is not an option.

In conclusion

We hope that our comments are helpful to the development of the reporting processes and systems under REMIT.

If you would like to discuss our response, please do not hesitate to contact me on [REDACTED] or by email at [REDACTED]

Yours faithfully

[REDACTED]

[REDACTED]

European Coordination Manager for ELEXON