
1st Meeting of the REMIT Expert Group on wholesale energy market data reporting

Thursday 21 March 2024 from 10:30 to 17:00 CET

Ljubljana (hybrid meeting)

Chairs: Bart Vereecke / Volker Zuleger

1. OPENING

ACER welcomed the experts at the first meeting of the newly established REMIT Expert Group on Data Reporting ('DREG') delineating the scope and underlying objectives of the 1st DREG. None of the attendees raised points in advance of the topical discussions.

The agenda of the 1st DREG was approved by the meeting participants.

2. LATEST DEVELOPMENTS

ACER briefly updated the experts on the latest publication of the updated REMIT transaction reporting guidance, focusing on the changes introduced to improve the reporting of transactions related to LNG and Power Purchase Agreements (PPAs). As a more general question, ACER discussed with the experts a reasonable timeline for technical implementation whenever the reporting guidance is updated with additional or amended reporting requirements.

ACER then presented the timeline and potential subjects of the next update of the transaction reporting guidance documents, while asking experts for additional input to be potentially tackled via the next consultation with stakeholders. In addition, ACER discussed with the experts proposals on further enhancing the process of the periodic review of the guidance documents and the related consultations with stakeholders.

3. REMIT II IMPLEMENTATION

3.1 ACER Open Letter on REMIT II implementation

Prior to the meeting, ACER had shared the draft Open letter with the experts and asked for their comments. The meeting focused on discussing both the most commented topics and the additional topics suggested by experts.

In general, experts welcomed the Open letter. ACER emphasised that the aim of the letter was to help market participants to prepare for the upcoming implementation of the revised REMIT once it enters into force.

The experts discussed in particular:

- The scope of energy capacity platforms and balancing platforms;
- The new definition of an organised marketplace (OMP);
- The concept of OMPs reporting details of the order book(s) and its implications on the market participants;
- The changes to PPAET obligations;
- The new provisions for Inside Information Platforms (IIPs).

During the discussions, experts highlighted the need for a clear scope of 'Energy Capacity Platforms' and 'Balancing platforms' within the OMP definition. Experts also proposed to provide clarification on the 'one-to-many' trading aspect of the new OMP definition. ACER acknowledged that further information and dialogue with the potential new OMPs would be needed.

In addition, experts briefly discussed the obligations related to Persons Professionally Arranging and Executing Transactions (PPAETs). Experts proposed that some clarifications would be needed on which PPAET related provisions would apply with the entry into force of the revised REMIT. The experts also highlighted the need for an updated guidance for PPAETs to ensure compliance with the new provisions.

3.2 Article 8 on exposure reporting

Experts discussed the concept, focus and potential benefits of the new obligation of the revised REMIT regarding the exposure reporting obligation, by highlighting that a clear definition and objective for the exposure reporting requirement would be key for both ACER and the reporting parties. Experts indicated that, in the financial sector, exposure reporting helps to measure and limit systematic risks. Experts suggested that the methodology for calculating the exposures should be kept reasonable and targeted, potentially at an aggregated level. Experts suggested to explore further how the inclusion of exposure information into ACER's market monitoring and transparency activities could support having a more comprehensive overview of the dynamics of the European energy market.

3.3 Article 12 on reference centre on information

Experts shared their expectations regarding the features of the reference centre specified by the revised REMIT. This new provision, which mandates ACER to develop a reference centre of information on Union wholesale energy market data, provided the basis for the discussion. Experts indicated that access to data typically poses challenges for market participants, and this platform could serve as a centralised source for market information. Some experts highlighted that OMPs and IIPs already make the data available to the public. Some experts

also pointed out that a REMIT reference centre on information may compete with market based solutions.

4. DATA REPORTING

4.1 Order book reporting

Experts discussed several aspects of the new obligation of the revised REMIT regarding order book reporting, including the timeline, set of information and reporting format.

Experts discussed the implications on balancing market data, indicating that order book reporting on balancing market should be distinct from order book reporting by exchanges. Experts highlighted the potential issues with the aggregation and anonymisation on certain TSOs' platforms for the collection of balancing data. Also, timeliness issues were discussed.

Experts also shared their views on the perimeters for providing access to order books, highlighting that they should refer to a specific dataset or a sub-set of data. In this regard, experts discussed the rationale for the ad hoc request, agreeing that it should support ACER's monitoring activities. Experts also discussed the potential for directly accessing order books, including operational, legal and data security aspects. Furthermore, they highlighted the importance of avoiding double reporting to the best extent possible.

Experts also touched on trading system-generated orders, noting the lack of standardisation of system-generated orders from a trading system perspective, which may impact the data reporting requirements.

4.2 Direct Electronic Access

Experts discussed the reporting of transactions related to Direct Electronic Access (DEA). The contractual obligations between the provider and the client(s), as well as the responsibilities of the different actors, were discussed from the point of view of REMIT reporting, trading and strategy. Experts indicated that, in certain cases, determining the beneficiary of a transaction might be problematic due to the contractual terms. Some experts proposed that ACER could provide further clarification in this regard.

4.3 Proposals for simplification of data reporting (including LNG market data reporting)

In the light of the future revision of the REMIT Implementing Regulation, experts shared their views on the potential simplification of reporting non-standard contracts under REMIT by highlighting that some of the information currently collected in Table 2 might be of little added value.

The reporting of electricity and natural gas transportation contracts was also touched upon, including proposals from experts on the formulation of certain field-identifiers and on the

description of the reportable contracts listed in the REMIT Implementing Regulation. Experts supported the use of the industry-based standards for the reporting of these data types.

A significant part of the discussion focused on the future simplification of reporting LNG market data under REMIT. Experts discussed the possibilities of streamlining the reporting, limiting the manual submission and avoiding double reporting to the best extent possible.

5. INSIDE INFORMATION REPORTING

Experts exchanged their views on potential changes to the current data fields for reporting Urgent Market Messages (UMMs) and their potential impact on the IIPs and MPs. Experts also suggested to seek for potential optimisation with regards to the format (e.g. removing fields).

Experts discussed the element '*type of information*' and how the type '*forecast*' corresponds to the definition of inside information. It was also discussed whether '*forecast*' would be necessary to be disclosed and which fields would be needed for such reporting. Experts also indicated that forecasts can be sensitive information and it would be a challenge to force market participants to disclose it.

The cardinality of the element '*end date and time of the event*' was addressed. Experts indicated that this information cannot always be provided, especially at the early stage of an unplanned event (or if provided, it could be misleading).

Experts highlighted that effort should be put into basic standardisation of the data fields, particularly in the transaction reporting and inside information reporting guidance. Experts also mentioned that accessing IIPs' data currently poses no significant challenge. Some experts shared their observation about the inconsistency in data formats across different IIPs. Standardisation and harmonisation of data provided by IIPs were deemed necessary by the experts, also because it may facilitate to ensuring the orderly substitution of the IIP in case of the withdrawal of its authorisation. Experts added that IIPs already follow the standard ACER schema.

Experts also discussed the handling of historical data in case of a shutdown of an IIP and proposed that it should be available through a file rather than importing the data again in a new platform.

6. AOB

The 1st meeting of the DREG was concluded by setting the date for the meeting, which would take place on 1 October in Ljubljana, as proposed by the experts.

Experts were reminded that, as agreed previously, the 2nd meeting of the DREG would take place online on 21 May.