

# UR update

28<sup>th</sup> July 2015

# 15/16 forecast postalised tariffs

- Calculation of entry and exit capacity and commodity tariffs underway
- All forecast figures submitted to the PSA (23<sup>rd</sup> July)
  - Forecast of annual capacity booked is down.
- Forecast tariffs due to be published on 4<sup>th</sup> August by the TSOs.
  - UR will circulate an explanatory note and spreadsheet as usual
- Tariffs not confirmed yet but we expect that:
  - Commodity charge similar to last year
  - Annual capacity charge will increase by around 9p compared to last year's tariff

# REMIT: Purpose of the Regulation

It provides a consistent EU-wide regulatory framework specific to wholesale energy markets that:

- defines market abuse. This includes market manipulation, attempted market manipulation or insider trading;
- explicitly prohibits market abuse;
- requires effective and timely public disclosure of inside information by market participants; and
- obliges firms professionally arranging transactions to report suspicious transactions.

*Source: Ofgem*

# Registration

- All market participants (MPs) must register through the CEREMP system with the relevant information.
- [https://www.acer-remit.eu/ceremp/home?nraShortName=28&lang=en\\_UK](https://www.acer-remit.eu/ceremp/home?nraShortName=28&lang=en_UK)
- As yet the link is inactive due to ongoing IT issues. Notification will be provided when the link goes live.
- Information on the registration process can be found in the word attachment provided.



# Gas: Reporting Requirements

- An 'organised market place' or 'organised market' means:
  - (a) a multilateral system, which brings together or facilitates the bringing together of multiple third party buying and selling interests in wholesale energy products in a way that results in a contract;
  - (b) any other system or facility in which multiple third-party buying and selling interests in wholesale energy products are able to interact in a way that results in a contract.
- These include electricity and gas exchanges, brokers and other persons professionally arranging transactions.
- The NIBP/Aligne is not considered to be an Organised Market Place (OMP) on the basis that:
  - TSOs do not offer brokering services, though they will be informed of trades.
  - Virtual Trading Points/TSOs are not included in ACERs list of OMPs.

# Gas: Market Participant Requirements

MPs must report data directly to ACER if no Organised Market Place or third party (Registered Reporting Mechanism) exists.

## Timing and Frequency

- Reporting of contracts concluded outside an OMP will begin 15 months following the entry into force of the Implementing Acts (April 2016).
- Transportation and standard supply contracts, including orders to trade, shall be reported no later than on the working day following the conclusion of the contract or the placement of the order.
- Details of non-standard contracts shall be reported no later than one month following conclusion, modification or termination of the contract.

# Useful Document Links

- REMIT Regulation

<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32011R1227&from=EN>

- Implementing Act

<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R1348&from=EN>

- ACER Guidance

[http://www.acer.europa.eu/remit/Documents/REMIT%20ACER%20Guidance%203rd%20Edition\\_FINAL.pdf](http://www.acer.europa.eu/remit/Documents/REMIT%20ACER%20Guidance%203rd%20Edition_FINAL.pdf)

- Transaction Reporting User Manual

[http://www.acer.europa.eu/official\\_documents/acts\\_of\\_the\\_agency/publication/transaction%20reporting%20user%20manual%20\(trum\).pdf](http://www.acer.europa.eu/official_documents/acts_of_the_agency/publication/transaction%20reporting%20user%20manual%20(trum).pdf)

- Questions and Answers on REMIT

<http://www.acer.europa.eu/remit/qanda/documents/qanda.pdf>

- Manual of Procedures on Transaction and Fundamental Data Reporting

[http://www.acer.europa.eu/official\\_documents/acts\\_of\\_the\\_agency/publication/manual%20of%20procedures%20for%20data%20reporting.pdf](http://www.acer.europa.eu/official_documents/acts_of_the_agency/publication/manual%20of%20procedures%20for%20data%20reporting.pdf)

# Enforcement procedure

- Consultation on the draft enforcement policy published on 9<sup>th</sup> July and closes on 9<sup>th</sup> October
- It covers both enforcement procedure and financial penalties policy
  - create a transparent, step by step process document
  - provide operational certainty for industry
  - capacity to tailor the process to suit individual cases
  - updated our policy on financial penalties to work in tandem