

To wholesale electricity and gas market  
Participants in Northern Ireland,  
Republic of Ireland, Great Britain  
and the European Union, and to  
any other interested parties

11 October 2019

Dear Colleague,

### **Information Note on No-Deal Brexit and REMIT Contingency Arrangements - Update**

On 6<sup>th</sup> February 2019, the UR published an information note<sup>1</sup> advising market participants of the need for re-registration in the event of a no-deal Brexit. The information note referenced an Open Letter from ACER<sup>2</sup>, published on 8<sup>th</sup> January 2019, on the implications on the registration of market participants and data collection under REMIT in the event of a no-deal Brexit.

ACER's Open Letter, published on 8<sup>th</sup> January 2019, highlights some of the REMIT-related issues that may occur in the event of a "no deal" Brexit. It clarifies that UK-based market participants (which includes market participants based in Northern Ireland) will need to re-register with another National Regulatory Authority in order to trade in the European Union after a no deal Brexit. It specifically states; *"market participants established or resident in the UK – or market participants from third countries currently registered in the UK – who wish to enter into transactions or place orders to trade in the European Union's wholesale energy markets after the UK's withdrawal from the European Union on 29 March 2019 will need to be registered with a National Regulatory Authority from another Member State (EU27 Member State) where they are predominantly active (so-called "re-registration")."*

The UR would like to reiterate its previous Information Note of 6<sup>th</sup> February, which outlines no-deal contingency arrangements only. If a Withdrawal Agreement is implemented, or an

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<sup>1</sup> <https://www.uregni.gov.uk/news-centre/information-note-market-participants-remit>

<sup>2</sup> [https://documents.acer-remit.eu/wp-content/uploads/Open-Letter\\_Communication-on-REMIT-and-Brexit\\_190108.pdf](https://documents.acer-remit.eu/wp-content/uploads/Open-Letter_Communication-on-REMIT-and-Brexit_190108.pdf)

alternative course of action is agreed, it is assumed that the current REMIT registration and data reporting channels will remain unchanged.

However, we are aware that a number of businesses in Northern Ireland, including some market participants, are preparing and putting contingency arrangements in place for a no-deal exit. ACER's Open Letter of 8<sup>th</sup> January 2019 states; *"market participants currently registered in the UK and intending to enter into transactions in European Union's wholesale energy markets after the UK's withdrawal from the European Union, may already prepare their registration with the national regulatory authority of a EU27 Member State. Until the withdrawal of the UK from the European Union, they will continue to be registered solely in the UK."*

Market participants may begin the so-called 're-registration' process now however the UR would like to reiterate that this isn't compulsory until directed to do so by the UR. However the UR would advise market participants to familiarise themselves with the re-registration process of the relevant national regulatory authority now, to avoid delays. Market participants will continue to use their UK ACER code until the moment of de-registration in CEREMP by the UR, which will occur no later than the date in which the UK withdraws from the EU in a no-deal exit.

### **Registration in NI following no-deal exit**

In the event of a no-deal Brexit, all REMIT obligations and prohibitions will still apply in Northern Ireland and therefore all market participants entering into transactions, or placing orders to trade, in wholesale energy products where delivery is within the SEM, will be required to register with the Utility Regulator (UR) within four weeks of EU exit. However, the UR recognises the existing registration of all currently registered market participants in accordance with REMIT Article 9(1) and therefore participants registered with either CRU, Ofgem or with an NRA of an EU Member State, will not need to re-register until otherwise directed by the Utility Regulator.

If a no-deal exit is confirmed, the UR will issue a Direction Notice to all affected market participants in NI, directing them to commence the re-registration process on CEREMP to another NRA. Further guidance will then be issued regarding the next steps.

Any market participant or third party, who has any queries, please contact: [REMIT@uregni.gov.uk](mailto:REMIT@uregni.gov.uk). Any communications received will be treated in the strictest of confidence and in accordance with GDPR.

Yours sincerely



Brian Mulhern, Manager of Market Monitoring Unit, Utility Regulator

