



REMIT Transaction Reporting

FAQs

July 2015

REMIT Transaction Reporting - Frequently Asked Questions

The Regulation on Energy Market Integrity and Transparency (“REMIT”)¹ is aimed at preventing market abuse in EU wholesale energy markets and requires the reporting of all EU wholesale energy market transactions, including orders to trade, to the Agency for the Cooperation of Energy Regulators (“ACER” or “the Agency”) via a Registered Reporting Mechanism (“RRM”).

REMIT’s data collection implementation timelines require transactions executed at organised market places (including exchanges and brokers, “OMPs”) to be reported to ACER from 7 October 2015.

According to Article 6(1) of REMIT’s Implementing Acts², market participants shall report details of wholesale energy products executed at OMPs including matched and unmatched orders to the Agency through the OMP concerned, or through trade matching or trade reporting systems. The OMP where the wholesale energy product was executed or the order placed shall at the request of the market participant offer a data reporting agreement.

There are four Intercontinental Exchange, Inc. (“ICE”) entities included in ACER’s list of OMPs³, namely ICE Endex Derivatives B.V., ICE Endex Gas B.V., ICE Endex Gas Spot Ltd. and ICE Futures Europe (together “the Exchanges”).

The Exchanges have issued Circulars to formally confirm their approach to REMIT transaction reporting⁴. Below is a list of frequently asked questions in relation to the REMIT transaction reporting that the Exchanges will offer to Members and their customers.

1. Will the Exchanges offer transaction reporting to assist market participants?

Yes, the Exchanges will offer a “REMIT Transaction Reporting Facility” whereby they will submit all required details of any EU wholesale energy transactions executed at the Exchanges, including matched and unmatched orders, to ACER via ICE Trade Vault Europe (“TVEU”) as their RRM. This will cover transactions executed on, and orders placed on, all EU wholesale natural gas and electricity spot and derivatives markets operated by ICE.

2. Are the Exchanges intending to become RRM’s?

No, the Exchanges will not register with ACER as RRM’s. Instead, the Exchanges will use TVEU as their RRM to submit the required data to ACER. TVEU is a wholly-owned subsidiary of ICE and is a registered Trade Repository (“TR”) with the European Securities and Markets Authority (“ESMA”).

3. Will the Exchanges connect directly with any other third party RRM’s for REMIT reporting?

No, the Exchanges will only submit data to TVEU as their RRM. The Exchanges do not intend to send data to any other third party RRM⁵. This is to ensure that the Exchanges are ready in time to be able to assist Members and their customers with their REMIT reporting.

¹ Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency

² Commission Implementing Regulation (EU) No 1348/2014 of 17 December 2014 on data reporting implementing Article 8(2) and Article 8(6) of Regulation (EU) No 1227/2011 of the European Parliament and of the Council on wholesale energy market integrity and transparency (the “Implementing Acts”).

³ <https://www.acer-remit.eu/portal/organised-marketplaces>

⁴ Please see ICE Endex’s Circulars dated March 5, 2015 (<https://www.theice.com/endex/circulars>) and ICE Futures Europe’s Circular 15/038 (<https://www.theice.com/futures-europe/circulars>), respectively.

⁵ Please note that connection to multiple third party RRM’s is not a regulatory obligation of any OMP according to REMIT or REMIT’s Implementing Acts.

4. What are the costs associated with the Exchanges' REMIT Transaction Reporting Facility?

The Exchanges are offering the REMIT Transaction Reporting Facility at no cost until further notice.

5. What additional data will the Exchanges require from market participants in order to submit all required details to ACER?

For those market participants that wish to take advantage of the Exchange's REMIT Transaction Reporting Facility, they may be required to submit additional data to facilitate the reporting of the required information to ACER. Market participants will be requested to provide their ACER code and/or Legal Entity Identifier ("LEI") to the Exchanges. Without an ACER code and/or LEI, the Exchanges will not be able to submit all required details to ACER via TVEU.

6. How do market participants obtain an ACER code?

Market participants can obtain an ACER code to uniquely identify themselves for reporting purposes by registering with the relevant National Regulatory Authority ("NRA").

All market participants entering into transactions which are required to be reported in accordance with REMIT must register with the NRA of the EU Member State in which the market participant is established or is a resident (e.g. OFGEM is the designated NRA for market participants established in the UK). Where a market participant is not established in, or a resident of, any EU Member State, the market participant should register with the NRA in an EU Member State in which they are active.

7. Are the Exchanges intending to report data in real-time or on a batch basis?

The Exchanges will report data to TVEU using a daily, end-of-day batch. Once the data is received by TVEU, data will be reported to ACER in real-time.

8. Will the Exchanges assist me with the REMIT backloading requirements as well?

Yes, the Exchanges will report details of all EU wholesale energy contracts which were concluded before the 7 October 2015 and remain outstanding on that date to ACER by 7 April 2016 (within 90 days from the date on which the reporting obligation becomes applicable) as part of their REMIT Transaction Reporting Facility.

9. Will the Exchanges provide market participants with anything to allow reconciliation of the data reported to ACER via TVEU?

Yes, the Exchanges will provide reports as a part of their REMIT Transaction Reporting Facility to allow market participants to fulfil their obligations to take "reasonable steps to verify the completeness, accuracy and timeliness of the data" reported to ACER.⁶ Further information will be provided to firms over the coming period.

10. Can market participants also view the data reported to ACER in TVEU and is there a charge associated with this?

Yes, market participants may sign a TVEU Participant Agreement to gain access to the RRM interface. TVEU will offer a view only access type for market participants wishing to access its platform for the sole purpose of viewing data reported via a third party, including data reported by the Exchanges. TVEU intends to charge a uniform, non-discriminatory and cost-based annual fee for providing this service.

⁶ Please see Article 11(2) of REMIT's Implementing Acts.
Intercontinental Exchange – July 2015

11. Can market participants use TVEU to report non-ICE data to ACER too?

Yes, TVEU will leverage its existing, high-performance TR service to deliver a fully comprehensive REMIT reporting solution to market participants. Market participants will be able to upload non-ICE data using ICE's widely accepted ICE eConfirm front-end platform (via XML API, tab delimited file upload or manual GUI report entry) or by simply uploading the ACER XML format files provided by their non-ICE exchanges/brokers. Market participants will also be able to use TVEU for the reporting of bilateral OTC transactions when reporting starts for trades executed outside of OMPs on 7 April 2016. This will allow market participants to consolidate all their REMIT reportable data in a single RRM to allow ease of reconciliation.

In order to further assist market participants with REMIT reporting, the Exchange will cover any transaction reporting fees charged by TVEU and incurred by market participants taking advantage of the Exchanges' REMIT Reporting Transaction Facility who also report EU wholesale transactions executed at other OMPs (exchanges and brokers) to TVEU (the "REMIT Transaction Reporting Programme").

12. How does a market participant sign up for the Exchanges' REMIT Transaction Reporting Facility?

No action is required. The Exchanges will automatically submit all required details to ACER via TVEU. For Members, the Exchanges' Circulars along with the Exchanges' rules shall constitute the data reporting agreement referred to in Article 6(1) of REMIT's Implementing Acts. For non-Members, a data reporting agreement will be made available upon request, but execution of such data reporting agreement is not a pre-requisite for the Exchanges to report details of all EU wholesale energy contracts relating to the non-Member.

13. How does a market participant opt-out of the Exchanges' REMIT Transaction Reporting Facility?

In the event that a market participant would like to opt-out of the Exchanges' REMIT Transaction Reporting Facility, they must contact the relevant Exchange's Compliance Department. Those market participants that choose to opt-out of the Exchange's REMIT Transaction Reporting Facility are expected to report for themselves to TVEU or another RRM, as required under REMIT.

14. Will the Exchange provide any assistance to market participants opting out of their REMIT Transaction Reporting Facility?

Yes, the Exchange will provide details of EU wholesale energy market transactions executed at the Exchanges, including matched and unmatched orders, in a flat file format to market participants that choose to opt-out of the Exchanges' REMIT Transaction Reporting Facility, upon request. Further information will be provided to firms over the coming period.

15. How do market participants find out more information about the Exchanges' REMIT Transaction Reporting Facility and Transaction Reporting Programme?

Please contact the relevant Exchange's Compliance Department in the first instance.

16. How do market participants find out more information about TVEU's RRM services?

Please contact TVEU's customer support team at tradevaultsupport@theice.com.