

ACER

Agency for the Cooperation
of Energy Regulators



Session III: Monitoring wholesale energy trading – The ACER experience

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*"The Agency shall **monitor trading activity** in wholesale energy products to detect and prevent trading based on inside information and market manipulation. **It shall collect the data for assessing and monitoring wholesale energy markets as provided for in Article 8.**"*

REMIT at a Glance

Scope

Wholesale electricity and natural gas supply and transportation contracts, including derivatives thereof

Transparency

Obligations for market participants to disclose inside information

Integrity

Explicit prohibitions of abusive practices in wholesale energy markets

Monitoring

A new, sector-specific, comprehensive and effective monitoring framework for wholesale energy markets

Cooperation

Close cooperation and coordination between ACER and NRAs on monitoring, investigations and enforcement

Prohibitions and obligations for market participants under REMIT

Market Manipulation
PROHIBITED

Attempted Market Manipulation
PROHIBITED

Trading on Inside Information
PROHIBITED

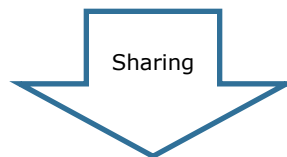
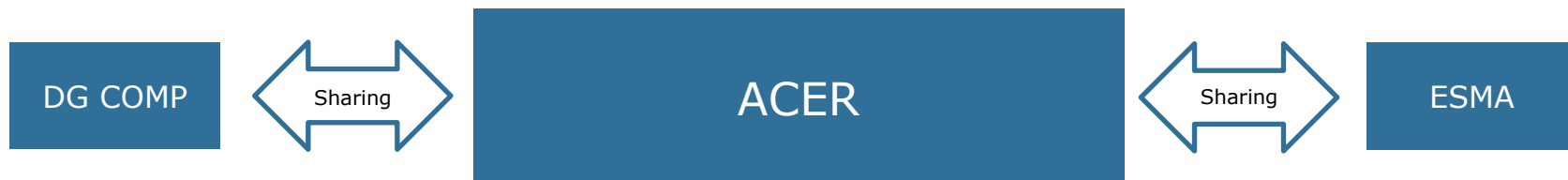
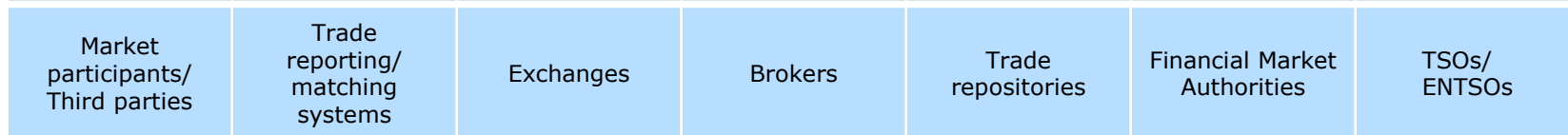
to disclose Inside Information

Market Participants are obliged

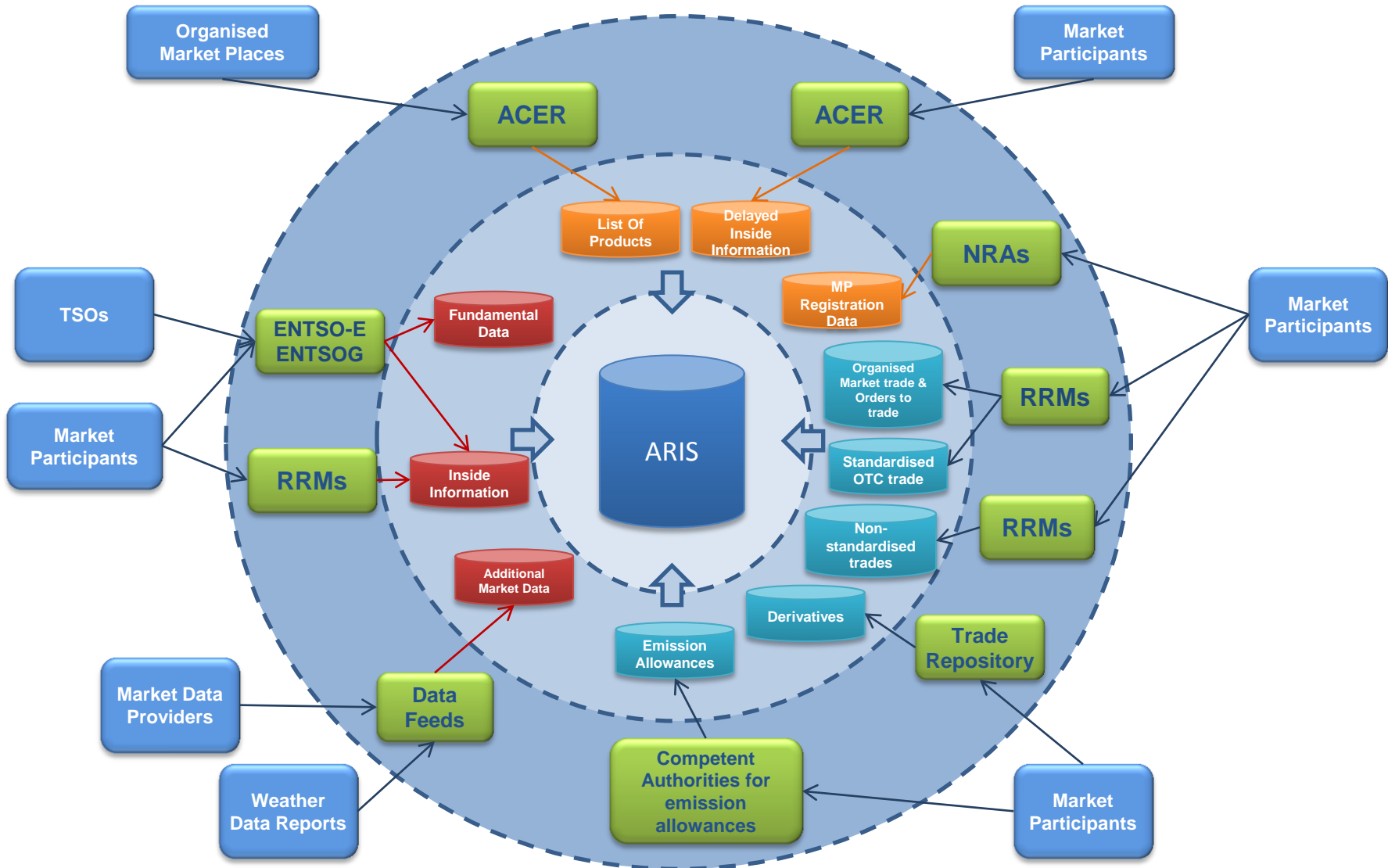
to notify ACER and NRAs of delays in the publication of Inside Information

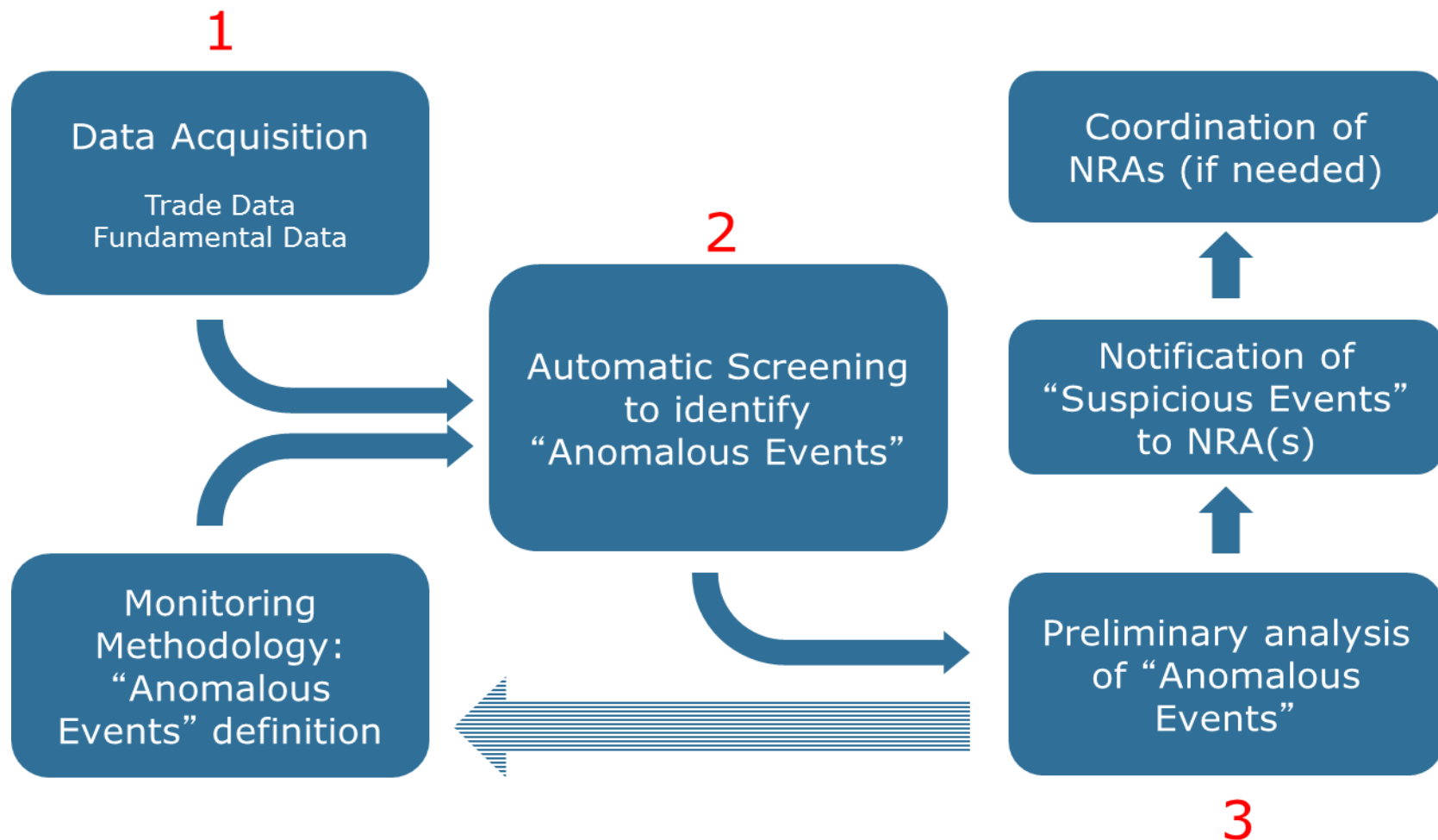
The REMIT prohibitions on market manipulation, attempted market manipulation and insider trading do not apply to derivatives admitted to trading at regulated markets regulated by financial regulators.

Reporting of trade data, including orders to trade, and fundamental data



Data sourcing

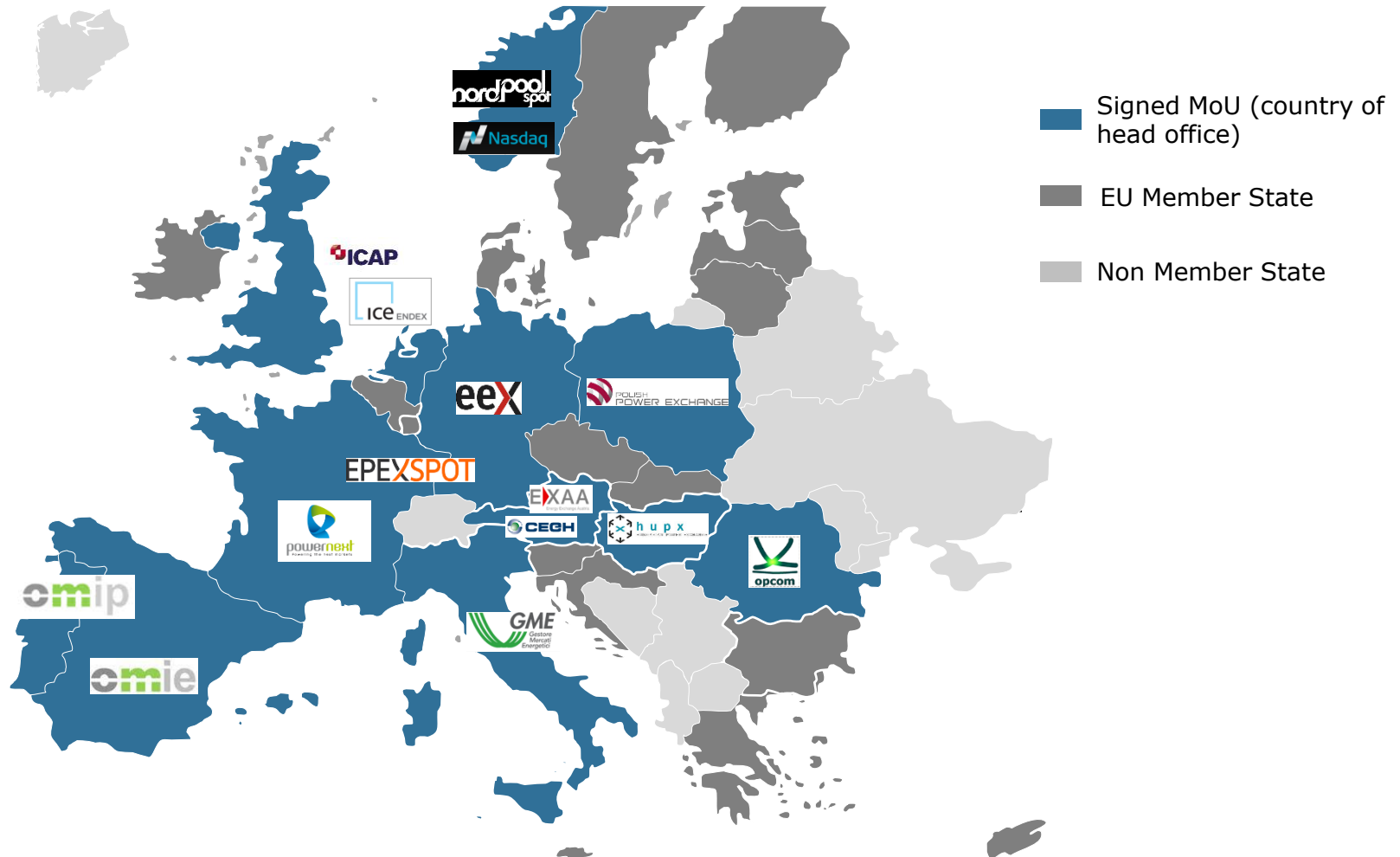




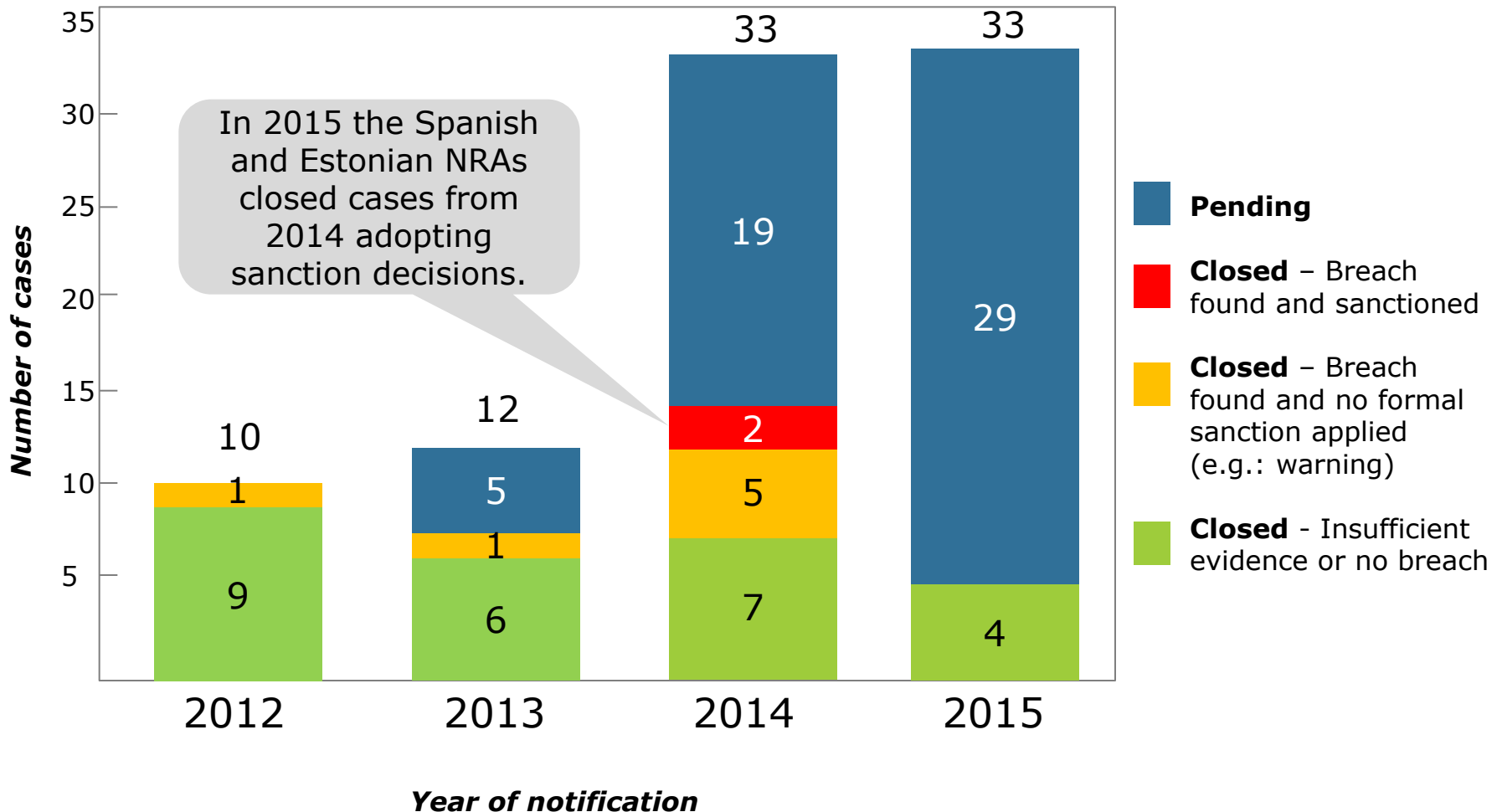
Preliminary focus will be on cross-border, cross-market, cross-venue, cross-commodity and cross-product market manipulation and insider trading.

	ACER	NRAs
Data Collection	✓	Have access to data collected by ACER
Monitoring	✓	May monitor the national markets
Investigation	Coordinates NRAs in cross-border investigations	✓
Enforcement		✓

Cooperation with major European organised market places



Progress of potential REMIT breach cases reported to/by the Agency – status as of 31/12/2015



NOTE: The status is based on the information provided by the NRA. If the NRA is not responsible for investigation and enforcement the case remains pending until the relevant authority closes it.

- The Agency is currently fully focusing on implementation and operation of REMIT.
- However, some issues may need to be addressed in future legislative reviews, e.g.:
 - » Relationship between REMIT and EU financial market rules;
 - » Harmonised minimum standards for penalties systems of Member States in order to ensure proportionate, effective and dissuasive penalties for breaches of REMIT across the EU;
 - » Possibility of enforcement powers for ACER against Registered Reporting Mechanisms for erroneous reporting by reporting parties according to Article 8 of REMIT and Article 11(2) of Commission Implementing Regulation (EU) No 1348/2014.