



**Industry & Regulation  
Centrica**

10th May 2006

To: ERGEG  
By email: [transparency@ergreg.org](mailto:transparency@ergreg.org)

Dear Sir, Dear Madam

**Ref. ERGEG Guidelines for Good Practice on Information Management and  
Transparency in Electricity Markets**

I refer to your March public consultation on Guidelines for Good Practice on Information Management and Transparency in Electricity Markets (the Guidelines). On behalf of Centrica, I wish to make the following remarks.

We fully support ERGEG's proposed Guidelines in order to establish greater information transparency and harmonisation across European electricity markets. The creation of a more level playing field for market participants will, we believe, encourage market competition and ultimately benefit customers.

In addition to our activities in our home market of Great Britain, Centrica and its affiliates is also active in the wholesale electricity markets of Belgium, the Netherlands, Germany and France. The level of transparency we encounter in the Continental European markets is lower than that experienced in Great Britain, and we fully support ERGEG's attempts to level the playing field across the EU.

As important as the information itself are the principles governing the release of that information. We support the transparency principle in the Guidelines that information should be released to the market unless there is a clear reason for the contrary. The Guidelines take account of the desire of business entities to retain commercially sensitive data or for government departments to keep certain data out of the public arena for security reasons, and weigh these alongside the need of other market participants for the publication or release of the information. The principle of confidentiality is key here.

Another important principle of information management in the energy market, with specific reference to integrated companies who have various affiliates active along the

value chain, is ring fencing. To avoid allegations of uncompetitive behaviour and insider trading, and to eliminate market distortions, ring fencing of information must be strongly adhered to, such that information is not released to affiliates, where it is not available to the market as a whole.

It is in respect of this matter that we wish to raise one issue for consideration. The Guidelines are set out clearly in respect of information provided by TSOs. For generators on the other hand there is one area that is less clearly defined, as set out below, and the timing of information release, which is equally important in ensuring optimal market performance.

When a generating station is unavailable either due to an unforeseen incident or planned maintenance, this information should be made available to the market in a timely manner. Following an unforeseen incident affecting capacity, this information should be released to the market with as little delay as possible. This permits other market participants to make alternative arrangements as quickly as possible.

The information release should also be made available simultaneously to all market participants to ensure non-discrimination, and safeguard against possible insider trading by any entity affiliated directly or indirectly to the generator concerned. Similarly details of any large-scale maintenance plans should be made in advance to all market participants at the same time.

There are two possible models for publication of generation information. In the wholesale electricity market in Great Britain, information on generators' capacity and production is available to all market participants in real time within the trading system. Thus any incident is immediately apparent to all. In the Nordpool structure, which relies on auctions rather than trading, news of any generator incident must be released to the whole market simultaneously within 60 minutes of the incident taking place. Other European markets would benefit in terms of the information transparency resulting from either of these arrangements, and thus we would encourage ERGEG to include this issue in its Guidelines.

To reiterate, we fully support the publication of these Good Practice Guidelines by ERGEG and encourage market authorities to implement these within their jurisdictions.

I trust that you find this response helpful. Please do not hesitate to contact me if you would like to discuss any issue raised in further detail.

Yours faithfully,

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