



GEODE Position Paper on ERGEG and CESR draft advice to the European Commission on record keeping, transparency and exchange of information¹

GEODE, the European association of independent energy distributors, welcomes ERGEG Public Consultation on its response to the European Commission on the context of the third energy package.

Regarding record keeping obligations, ERGEG considers it necessary that supply undertakings keep records including minimum information describe in ERGEG's document. ERGEG also shows a preference for an electronic format of records but recognises the costs involved.

GEODE asks ERGEG to analyse carefully the costs linked to the requirements proposed specially in case of minor operators from a financial human and material resources point of view. The implementation of stronger requirements or conditions should be balanced with the risk of reducing the number of market operators, leading to a higher level of market concentration and less competition as a consequence.

GEODE recommends to limit the requirements to the necessary extent. The measures should be proportional to the economic impact they represent and the benefits obtained.

Regarding transparency, **GEODE** supports ERGEG's considerations that an adequate trade transparency could include an increase of competition, new entrants and new market participants, generating market confidence.

However, **GEODE** agrees with ERGEG that it is rational to publish useful and reliable data giving fair information on the liquidity and the concentration of trading on European electricity and gas wholesale markets while keeping in mind constraints as:

- limiting the burden put on market participants for providing this information
- avoiding costs exceeding the benefits of publishing the information by not adding obligations when a sufficient level of transparency already exists.

Barcelona, 24th November 2008