

Position Paper

Technical Standards for Trade Reporting

On the Standards and formats for reporting

Berlin, 7. May 2013

Introduction:

BDEW welcomes the opportunity to respond to ACER's consultation for the Guidelines for the registration of RRM and for the registration of RIS as well as for the Technical Standards for Trade Reporting. BDEW would like to highlight that in Germany alone there are over 800 registered balancing responsible parties, 700 balancing responsible network operators in gas and 800 balancing responsible network operators in electricity. These roughly 2000 market participants will have to register and their reported data will have to be processed subsequently. Many of these market participants, BDEW estimates around 300, are active outside the German market as well.

A full consistency between REMIT and EMIR reporting requirements is necessary for BDEW. The envisaged technical requirements should therefore aim at harmonizing reporting frameworks under financial Regulations (MiFID and EMIR) while avoiding any risk of double reporting.

BDEW would like to emphasize that already applicable standards such as EI-Codes, ISO-Codes or standards defined/recommended by framework guidelines and network codes (such as the network code on interoperability and data exchange rules) should apply first. Also BDEW recommends that standards which are XML-based should be supported.

I. Do you agree that for the reporting of energy derivatives, the same standards applicable to the values taken by each field of information should apply under REMIT as under MiFID and EMIR? (For example ISO Currency standard identifiers for Currency information, ISO Country Codes for Country information, etc.).

Answer:

BDEW agrees with the approach that for the reporting of energy derivatives, the same standards applicable to the values taken by each field of information should apply under REMIT and EMIR (and possibly MiFID). However, as stated in the introduction, already applicable standards such as EI-Codes, ISO-Codes or standards defined/recommended by framework guidelines and network codes (such as the network code on interoperability and data exchange rules) should apply first

II. What single standard and single format do you think the Agency should recognise:

- a. For reporting of transactions from organised market places that are exchanges**
- b. For reporting of transactions from organised market places that are not exchanges**
- c. For reporting of transactions through confirmation services**
- d. For reporting of electricity nominations / scheduling**
- e. For reporting of gas nominations / scheduling**

Answer:

Firstly, BDEW would like to recommend using the Legal Entity Identifier (LEI) as a clear and prior format to identify reporting obligations. The German Federal Financial Supervisory Authority (BaFin) is currently developing a German Entity Identifier which is consistent to the LEI standard.

For the formats in a), b) and e) BDEW proposes to use the available standards and formats from those market places.

Please note that information on scheduling/nominations does eventually not need to be reported according to Article 8 paragraph 1 of REMIT. If it is intended to define technical standards for scheduling/nominations market participants should be consulted.

III. The Agency has identified a set of common standard codes which it proposes being used in the new reporting framework (see Annex I). Do you think these standards are the relevant ones?

Answer:

BDEW finds the standards defined in Annex 1 relevant and useful for standardised contracts. However in BDEW's opinion, the typically complex content of non-standardised contracts cannot be displayed in an automatic reporting. Non-standardised transactions are tailor-made by the parties involved and may include complex terms and conditions in relation to volumes, interruptions, pricing and time spreads. The nature of the parameters will differ across contracts. The contracts themselves will be „long form“ contracts outlining all of the commercial and other terms for the transaction. It would therefore not be appropriate or possible to report these contracts through the standardised reporting regime.

IV. If a format is recognised by the Agency, what governance provisions should the Agency require to ensure the quality persists?

Answer:

To answer this question, it must be clarified what “governance provision” means. From BDEW's point of view, ACER has to define standards for codes and reporting mechanisms. Therefore ACER must keep track of changes being made to ISO standards in order to adjust its standards accordingly. Where new standards that differ from ISO standards are developed, ACER should carry out a European-wide consultation including all interested stakeholders. Additionally, there needs to be sufficient implementation time.

V. Do you have comments on these standards?

Answer:

See above.

VI. What are the practical implications of the use of these standards and formats for the energy industry?

Answer:

The use of new standards and formats will have financial and operational impacts on the energy industry as it implies either the update of data management software or specific adaptation of the internal IT-systems of the concerned market operators. Therefore BDEW proposes a set of requirements for non-standardised reporting in order to recognise these contracts or reportings. The impact on these reporting's should be kept to a minimum. **VII. Are there other formats and standards the Agency should consider for recognition?**

Answer:

Please see answer to question III. BDEW would like to suggest defining a general public holiday calendar (e.g. exchange trading calendar), which has to be used in context with the reporting.

On the taxonomy

VIII. Do you think that the taxonomy proposed in Annex II is the relevant one?

Answer:

BDEW agrees.

IX. Do you think the first criteria on the delivery market (as country) should rather be the delivery zone or bidding zone?

Answer:

BDEW is the opinion that the delivery zone is the relevant criteria on the delivery market.

X. Does the taxonomy represent your view of the structure of the wholesale energy markets relevant to REMIT? For each dimension, are the categories given exhaustive? If not, please offer suggestions.

Answer:

BDEW would like to make further amendments:

In pt. 1: BDEW is the opinion that this should also apply for transmission on physical exit (delivery) points, e.g. delivery of industry consumers.

In pt. 5 the quarterly product/duration should be added.

In pt. 6 a taxonomy for structured/flexible profile type should be added.

XI. Should Regulated Information (Transparency/Inside Information) be categorised using at least the first two criteria of the taxonomy?

Answer:

BDEW agrees.

XII. Would you suggest any simplifications or additions to the taxonomy?

Answer:

BDEW would like to point out that the Guideline does not clarify the method of code generating. Are the codes generated by the Agency or should every market participant/corporation generate its own code based on predefined standards? This is especially important in case of non-standardised contracts.

ACER should carry out a European-wide consultation in order to develop new methods for code generation.

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