

# REMIT in the Energy Community

15<sup>th</sup> Energy Community Gas Forum – 1 October 2020

Nina Grall

- Transparency in electricity and gas wholesale markets – prohibition of abusive practise
- Prohibition of inside trading
- Obligation to publish inside information
- Prohibition of market manipulation
- Registration\*
- Monitoring
- Investigations\* - national and cross-border
- Penalties\*

[\* transposition challenges]

- REMIT „light“ – no central data collection
- Transposition deadline: **29.11.2019 – missed**
- Implementation deadline **29.05.2020**



- **Transposed**
  - BiH<sub>partly</sub>, KS\* - by NRA decision
  - By end 2020 expected: GE, AL?<sub>partly</sub> - by NRA decision
- **Implemented**
  - BiH <http://www.derk.ba/en/remit>
  - KS\* under development
- **Change of national legislation** required: AL, MK, MD, ME, SR, UA PC 22 Oct 2020

*ECRB Procedural Act on cooperation and coordination of Contracting Parties' national regulatory authorities*

Aug 2020

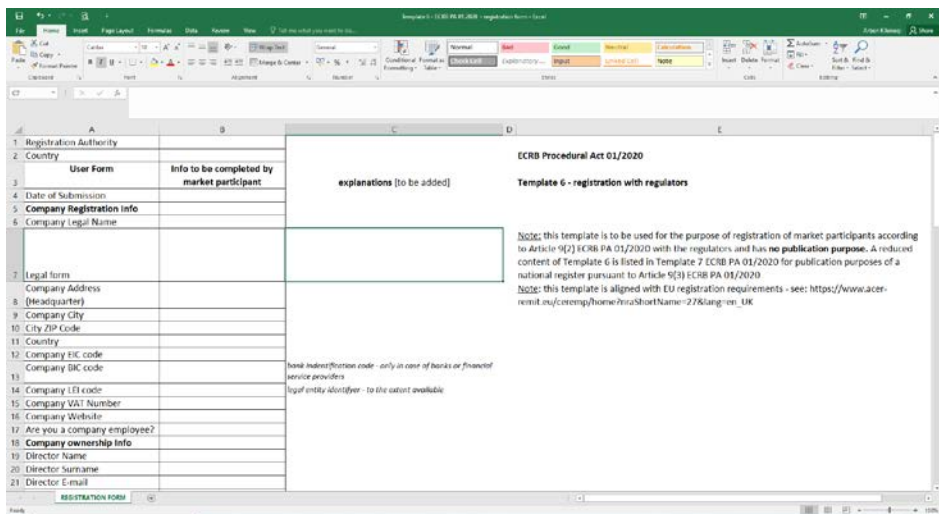
Visit: [https://www.energy-community.org/dam/jcr:07a15679-d2f7-41d8-94be-8b3ca9507377/ECRB\\_PA\\_%2001\\_2020.pdf](https://www.energy-community.org/dam/jcr:07a15679-d2f7-41d8-94be-8b3ca9507377/ECRB_PA_%2001_2020.pdf)

- 1. harmonize templates** and formats used by the NRAs
  - Registration of MPs incl unique identifier ECRB code
  - Public national MP register
  - NRA submission to ECRB on a suspected REMIT breach
  - MP reporting on potential REMIT breach to NRA and/or ECRB
  - Delayed publication of insider information
- 2. define the process for cooperation via ECRB** on potential REMIT breach with cross-border effect
- 3. address confidentiality concerns** in relation to data and information exchange – NDA

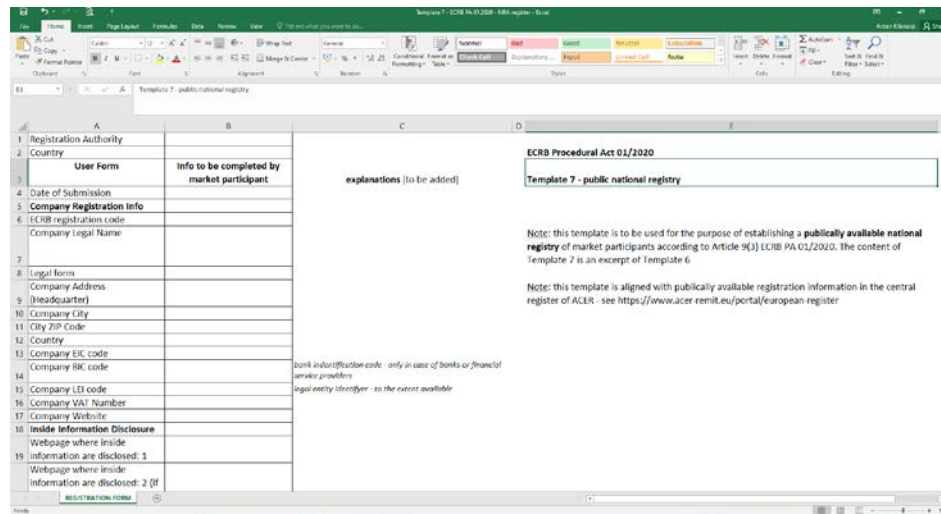


Template – for national MP registration

Template – for public national register



This screenshot shows an Excel spreadsheet titled 'Template 6 - registration with regulators'. The spreadsheet is organized into columns for 'User Form', 'Info to be completed by market participant', 'explanations [to be added]', and 'ECRB Procedural Act 01/2020'. The rows include fields for Registration Authority, Country, Date of Submission, Company Registration Info, Company Legal Name, Legal form, Company Address, Company City, City ZIP Code, Country, Company EIC code, Company BIC code, Company LEI code, Company VAT Number, Company Website, Are you a company employee?, Company ownership info, Director Name, Director Surname, and Director E-mail. A note in the 'explanations' column states: 'NOTE: this template is to be used for the purpose of registration of market participants according to Article 9(2) ECRB PA 01/2020 with the regulators and has no publication purpose. A reduced content of Template 6 is listed in Template 7 ECRB PA 01/2020 for publication purposes of a national register pursuant to Article 9(3) ECRB PA 01/2020. Note: this template is aligned with EU registration requirements - see: [https://www.acer-remit.eu/ceemg/home?infoShortName=278&lang=en\\_UK](https://www.acer-remit.eu/ceemg/home?infoShortName=278&lang=en_UK)



This screenshot shows an Excel spreadsheet titled 'Template 7 - public national registry'. The layout is similar to Template 6, but with a note in the 'explanations' column: 'NOTE: this template is to be used for the purpose of establishing a publically available national registry of market participants according to Article 9(3) ECRB PA 01/2020. The content of Template 7 is an excerpt of Template 6. Note: this template is aligned with publically available registration information in the central register of ACLR - see <https://www.acer-remit.eu/portal/european-register>



Central ECRB register on EnC website




NRAs to publish Template 3 as a mean through which market participants (and others) report suspected breaches

ECRB Section will publish to allow also reporting directly to ECRB

NRAs should also accept reporting/info on breaches that come via other means

ECRB Procedural Act 01/2020



Template 3  
Reporting potential breaches of the REMIT Regulation to regulators and/or ECRB pursuant to Article 7 of ECB Procedural Act 01/2020

Background: any legal or physical persons may report suspicious behavior in the wholesale electricity and gas markets and any potential breaches of the REMIT Regulation to the National Regulatory Authority and/or the Energy Community Regulatory Board (ECRB) using this form.  
The form should be published by each regulator of the Contracting Parties.

**A. General information**

No.	Title	Information to be provided
1	Reporting party: -market participant -PFAT -other competent authority -other	(name of the person/firm/authority and address)
2	Person(s) representing the reporting party in relation to this report and their contact details (phone and email)	
3	Email address of the NRA for submission of the report	(form published by ECRB will contain a link to all NRA webpages – specifically to the form published by NRA)
4	Email address of the ECRB Unit for submission of the report	(to be provided by ECRB in case the reporting party wants to submit it to ECRB as well)
5	Submission date	
6	Other information (if necessary)	

**B. Information about the suspected breach**

No.	Title	Information to be provided
1	Commodity: -Electricity and/or gas -wholesale market	

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NRA obliged to preserve confidentiality of information

ECRB procedural Act requires coordination and exchange of information, which may include also information that are confidential, commercially sensitive, business secrets, etc.

Upon exchange of such information, the ECRB, ECRB REMIT WG, including IG shall sign NDA

Reports by REMIT WG and IG may be tagged as confidential



Template 2

**MUTUAL NON-DISCLOSURE AGREEMENT**

This Mutual Non Disclosure Agreement is made by and between \_\_\_\_\_ (hereinafter 'the 1<sup>st</sup> Party') and \_\_\_\_\_ (hereinafter 'the 2<sup>nd</sup> Party') (to be added subject to involved regulators)

WHEREAS the 1<sup>st</sup> Party and the 2<sup>nd</sup> Party (and the 3<sup>rd</sup> Party etc if needed) (hereinafter 'the Parties') have an interest in participating in discussions and cooperate for the purpose of implementation of Regulation 1227/2011 on wholesale energy market integrity and transparency<sup>1</sup> and related coordination under the Energy Community Regulatory Board (ECRB) pursuant to ECRB Procedural Act 01/2020 wherein either Party might share information with the other that the disclosing Party considers to be proprietary and confidential to itself according to the definitions of Article 2 of ECRB Procedural Act 01/2020 and the provisions of its Article 8 (hereinafter "Confidential Information");

THE PARTIES AGREE AS FOLLOWS:

- The Parties shall act in line with ECRB Procedural Act 01/2020 and, in particular, Article 8 thereof to identify confidential information and business secrets (hereafter "Confidential Information") to the other Party (Parties).
- When informed of the proprietary and confidential nature of Confidential Information that has been disclosed by the other Party, the receiving Party (hereinafter "the Recipient") shall, for a period of \_\_\_\_ years from the date of disclosure, refrain from disclosing such Confidential Information to any contractor or other third party without prior written approval from the disclosing Party and shall protect such Confidential Information from inadvertent disclosure to a third party using the same care and diligence that the Recipient uses to protect its own proprietary and confidential information, but in no case less than reasonable care. The Recipient shall ensure that each of its employees, officers, directors, or agents who has access to Confidential Information disclosed under this Agreement is informed of its proprietary and confidential nature and is required to abide by the terms of this Agreement. The Recipient of Confidential Information disclosed under this Agreement shall promptly notify the disclosing Party of any disclosure of such Confidential Information in violation of this Agreement or of any subpoena or other legal process requiring production or disclosure of said Confidential Information.
- All Confidential Information disclosed under this Agreement shall be and remain the property of the disclosing Party and nothing contained in this Agreement shall be construed as granting or conferring any rights to such Confidential Information on the other Party. The Recipient shall honor any request from the disclosing Party to promptly return or destroy all copies of Confidential Information disclosed under this Agreement and all notes related to such Confidential Information. The Parties agree that the disclosing Party will suffer irreparable injury if its Confidential Information is made public, released to a third party, or otherwise disclosed in breach of this Agreement and that the disclosing Party shall be entitled to obtain injunctive relief against a threatened breach

<sup>1</sup> As adopted and adapted for the Energy Community based on Decision of the Energy Community Ministerial Council 2018/01/MC-Dir.

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Delayed publication in line with Article 4.2 of REMIT shall be requested/notified to NRAs

ECRB Procedural Act 01/2020



Template 5  
Reporting to NRA delayed publication of inside information pursuant to Article 8(2) of ECRB Procedural Act 01/2020

**Background:** under Article 4(2) of the REMIT Regulation a market participant "may under its own responsibility exceptionally delay the public disclosure of inside information so as not to prejudice its legitimate interests provided that such omission is not likely to mislead the public and provided that the market participant is able to ensure the confidentiality of that information and does not make disclosures relating to trading in wholesale energy products based upon that information, in such a situation the market participant shall without delay provide that information, together with a justification for the delay of the public disclosure, to the relevant national regulatory authority".

The following form should be used by market participants submitting such information to regulators. The form should be published by each regulator of the Contracting Parties.

**A. General information**


No.	Title	Information to be provided
1	Name and address of reporting market participant	
2	Person(s) representing the reporting party in relation to the report and their contact details (phone and email)	
3	Type of market participant: - electricity or gas producer - operator of electricity or gas infrastructure - other [specify & describe]	
4	Email address of the NRA for submission of the report	[to be provided by the regulator]
5	Submission date	
6	Other information (if necessary)	

**B. Information on the inside information concerned**

No.	Title	Information to be provided
1	Name of the facility	
2	Installed capacity of the facility	
3	Unavailable capacity	

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ECRB Procedural Act 01/2020



4	Dates, including hour, of the unplanned outage (from-to)	
5	Expected time of public disclosure	
6	Address(es) where the information will be disclosed	
7	Other details	

**C. Justification for delayed publication**

[ ]

Additional information may be requested by the regulator.

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### **7/REMIT**

monitor national markets cooperation via ECRB at regional level

### **16.2/REMIT**

report to ECRB suspected breaches of REMIT in another CP

### **16.1/REMIT**

ECRB to facilitate cooperation and coordination

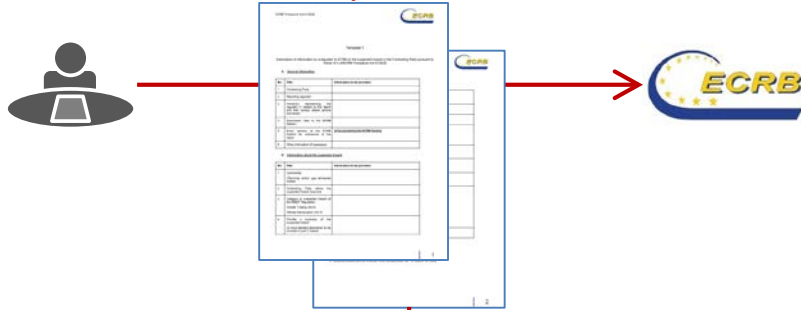
### **16.4/REMIT**

ECRB to assess such potential breach:

- request additional info from affected NRAs
- request NRA(s) to commence an investigation
- establish investigatory group of affected NRAs

## Phase 1: communication of suspected breach

Template



Email to ECRB Section:

[Nina.Grall@energy-community.org](mailto:Nina.Grall@energy-community.org)

[Arben.Kllokoqi@energy-community.org](mailto:Arben.Kllokoqi@energy-community.org)

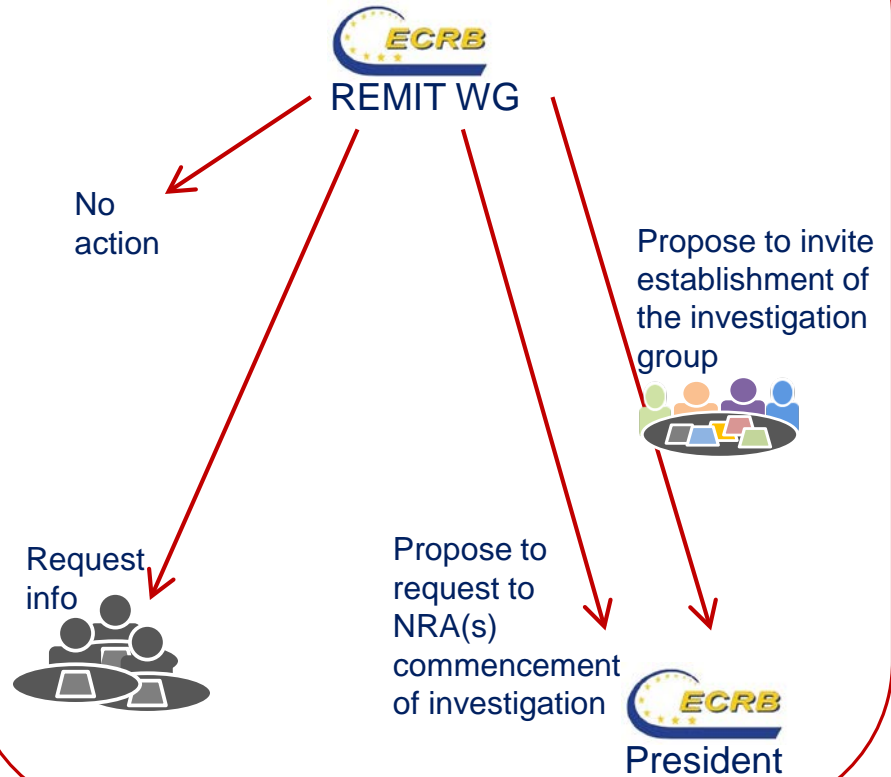
[Branislava.Marsenic@energy-community.org](mailto:Branislava.Marsenic@energy-community.org)

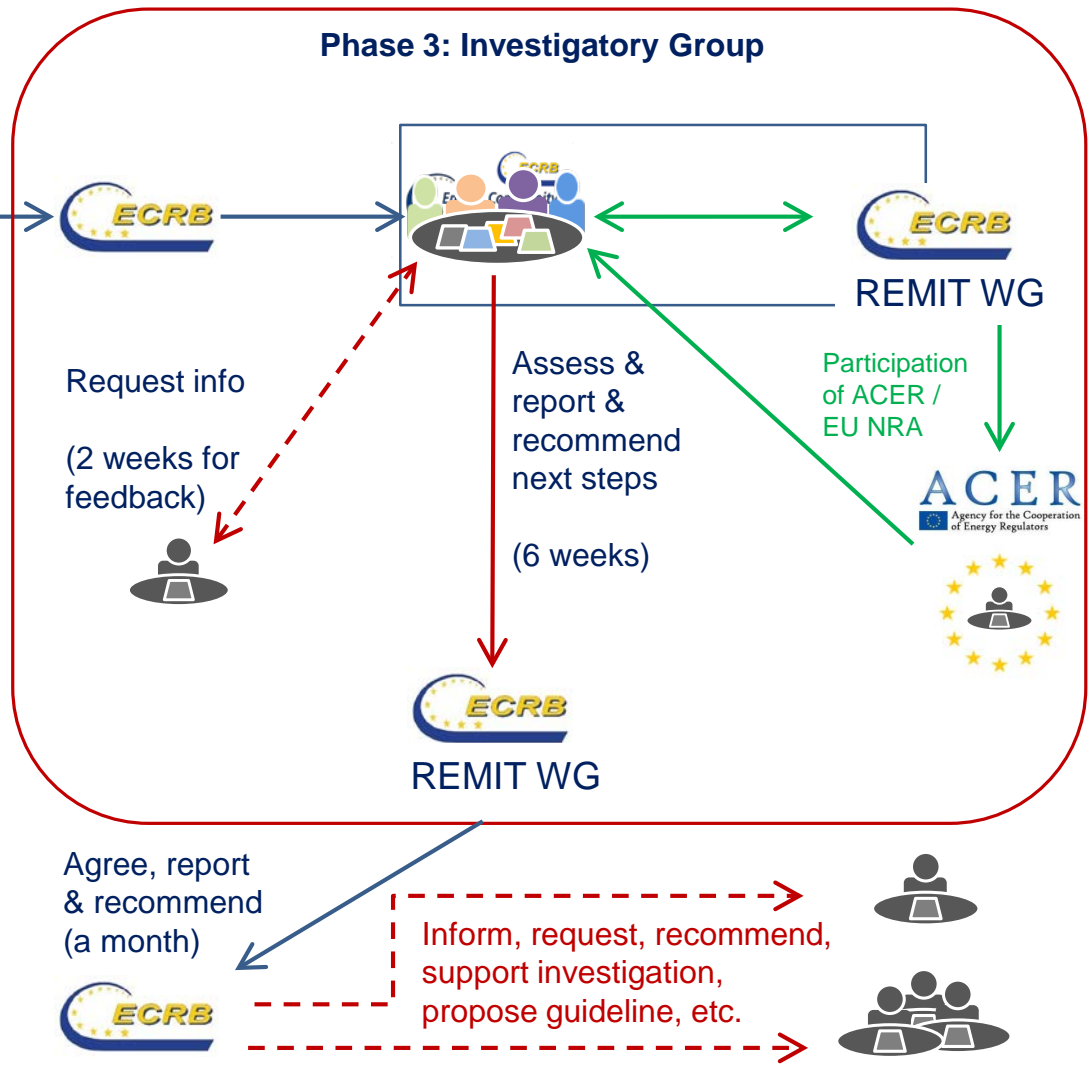
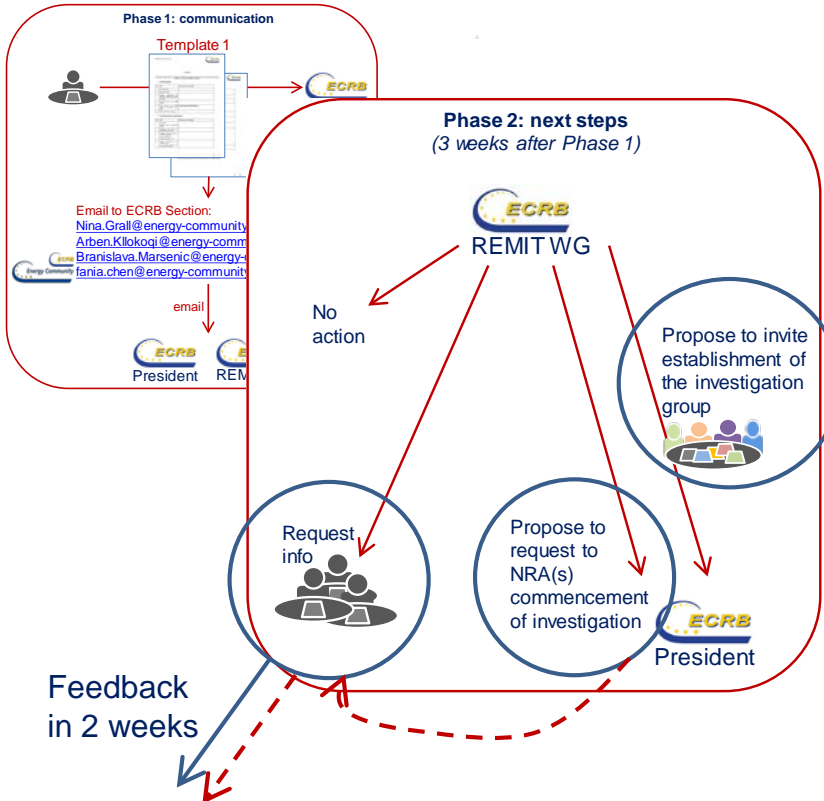
[fania.chen@energy-community.org](mailto:fania.chen@energy-community.org)

email



## Phase 2: next steps (3 weeks after Phase 1)





- national information workshops
- Regulatory School 3 Nov 2020
- webinar [https://www.youtube.com/results?search\\_query=energy+community+webinar](https://www.youtube.com/results?search_query=energy+community+webinar)



# THANK YOU FOR YOUR ATTENTION

[Nina.grall@energy.community.org](mailto:Nina.grall@energy.community.org)

## GET IN TOUCH

-  [www.energy-community.org](http://www.energy-community.org)
-  [Ener\\_Community](https://twitter.com/Ener_Community)
-  [/company/energy-community](https://www.linkedin.com/company/energy-community)
-  [/Ener.Community](https://www.facebook.com/Ener.Community)
-  [/EnergyCommunityTV](https://www.youtube.com/EnergyCommunityTV)





## REMIT - WHOLESALE ELECTRICITY MARKET INTEGRITY AND TRANSPARENCY

By the Ministerial Council Decision No. D/2018/10/MC-EnC of 29 November 2018, the Energy Community acquis included Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency with required adaptations to the Energy Community legal framework and defining the obligation to implement it by 29 May 2020.

The adapted REMIT Regulation defines common rules for activities on the wholesale electricity and gas markets in the Energy Community Contracting Parties (Albania, Bosnia and Herzegovina, Georgia, Kosovo\*, North Macedonia, Moldova, Montenegro, Serbia and Ukraine). This introduces a common European framework on wholesale markets of the European Union and Energy Community for:

- Definition of market abuse with regard to market manipulation, attempts to manipulate the market and insider trading,
- Introduction of the explicit prohibition of market abuse,
- Establishment of a new framework for the registration of market participants and wholesale market monitoring with the aim of detecting and preventing market manipulation and insider trading, and
- Definitions of prohibitions and the application of penalties at national level if market abuse is detected.

REMIT is applied to all market participants whose activities affect wholesale energy markets, that is, all natural or legal persons (including transmission system operators and distribution system operators) carrying out or conducting trading transactions on one or several wholesale energy markets.

Pursuant to Article 4.2 point k) of the Law on Transmission of Electric Power, Regulator and System Operator of BIH (Official Gazette of BIH, 7/02, 13/03, 78/09 and 1/11) SERC competences include the creation and maintenance of competitive markets, and prevention and punishment of any predatory or anti-competitive conduct. Starting from the obligations of national regulatory authorities defined by the adapted REMIT Regulation and under the competences defined by the law, in 2019 SERC launched activities on transposition and implementation of the adapted REMIT Regulation in the field of electricity. In this context, the translation of this Regulation in the languages officially used in Bosnia and Herzegovina was prepared and published.

- [Regulation \(EU\) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency, adapted to the Energy Community legal framework](#)

On 12 February 2020, a Decision on transposition of the Regulation on wholesale energy market integrity and transparency was passed (Official Gazette of BIH, 13/20), defining the terms and conditions for transposition and implementation of the part of the adapted REMIT Regulation which is under SERC competence pursuant to the aforementioned Law.

- [Decision on transposition of the Regulation on wholesale energy market integrity and transparency](#)

Pursuant to this Decision, on 11 March 2020, SERC defined Draft rules on wholesale electricity market integrity and transparency.

SERC had consultations with the relevant institutions in Bosnia and Herzegovina and the Energy Community Secretariat, and collected comments and opinions of the expert community and wider public on the prepared text within a general public hearing. This hearing was held on 7 May 2020.

[Rules on wholesale electricity market integrity and transparency](#) were adopted on 14 May 2020.

At the session held on September 3, 2020, SERC adopted the Decision on the Register of Participants in the Wholesale Electricity Market with the corresponding forms.

- [NEW Decision on register of participants in the wholesale electricity market](#)

This decision contains the following forms in its attachment:

- [Form REMIT R-1](#): Registration request for participants in the wholesale electricity market in Bosnia and Herzegovina
- [Form REMIT R-2](#): Data for the Register of participant in the wholesale electricity market in Bosnia and Herzegovina
- [Form REMIT P-1](#): Reporting any potential abuse or manipulation in the wholesale electricity market in Bosnia and Herzegovina
- [Form REMIT P-2](#): Reporting delayed publication of inside information
- [Form REMIT P-3](#): Reporting the use of exemptions related to insider trading and publication of inside information