REMIT Data Collection and Challenges

Markéta Stuchlíková
Team Leader – Market Data Reporting
Market Integrity and Transparency Department

11 March 2021
Hierarchy of REMIT Rules

1st level

REMIT

2nd level

REMIT Implementing Regulation (IR) on the basis of Article 8 of REMIT

Commission Decision 2020/2152 on REMIT Fees

Requirements for the registration of RRMs (Trade and Fundamental data)

3rd level

Technical Specifications for RRMs

Transaction Reporting User Manual (TRUM), including procedures, standards and formats for transaction reporting

Manual of Procedures on Fundamental Data Reporting

Applies from 01 January 2021
This field identifies the type of contract that is reported.
Data collection – Scope and Rules

Article 8 of REMIT and REMIT Implementing Regulation
## Transaction data

<table>
<thead>
<tr>
<th>What to report</th>
<th>How to report</th>
<th>When</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>WEPs (supply, transportation, derivative contracts), including matched and unmatched orders, executed at OMPs</strong></td>
<td>√</td>
<td>From 7 October 2015</td>
</tr>
<tr>
<td><strong>Derivatives reportable under EMIR</strong></td>
<td>√</td>
<td>From 7 October 2015</td>
</tr>
<tr>
<td><strong>Transportation contracts (primary allocation)</strong></td>
<td>√</td>
<td>From 7 April 2016</td>
</tr>
<tr>
<td><strong>WEPs (supply, transportation and derivative contracts not reportable under EMIR) executed outside OMPs</strong></td>
<td>√</td>
<td>From 7 April 2016</td>
</tr>
</tbody>
</table>
## Fundamental data 1/2

<table>
<thead>
<tr>
<th>What to report</th>
<th>How to report</th>
<th>When</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transparency platform data</td>
<td>√</td>
<td>From 7 October 2015</td>
</tr>
<tr>
<td>Electricity Nominations</td>
<td>√</td>
<td>From 7 April 2016</td>
</tr>
</tbody>
</table>
## Fundamental data 2/2

<table>
<thead>
<tr>
<th>What to report</th>
<th>How to report</th>
<th>When</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central platform data</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gas Nominations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Availability of LNG facilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unloading and reloading of LNG</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Availability of storage facilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount of gas stored</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### How to report

- **ENTSOG on behalf of MPs**: √
- **TSOs**: □
- **LSOs**: □
- **SSOs**: □
- **Third-party RRM**: □
- **MPs**: □

### When

- From 7 October 2015
- From 7 April 2016
Article 2(1) of REMIT: ‘Inside information’ means:

- information of a precise nature,
- which has not been made public,
- which relates, directly or indirectly, to one or more wholesale energy products and
- which, if it were made public, would be likely to significantly affect the prices of those wholesale energy products.

Article 4 of REMIT: Obligation to publish inside information.

Transparency → the disclosure needs to enable the dissemination to as wide a public as possible, granting easy and equal access to all users of the information.

ACER: For an effective disclosure, the information shall be disclosed using an Inside Information Platform (IIP), i.e. an electronic system for the delivery of information which allows multiple market participants to share information with the wide public.

ACER is performing the registration of IIPs that are compliant with ACER Guidance.
Data collection process
Registered Reporting Entities (RRMs)

For reasons of operational reliability, the reporting of records of transactions, including orders to trade, is performed through Registered Reporting Mechanisms (RRMs).

According to the Commission Decision 2020/2152 on REMIT Fees, as of 01 January 2021, each RRM shall pay a yearly fee.

Out of the 108 active RRM:
- 67 can report standard contracts;
- 56 can report non-standard contracts;
- 25 can report electricity transportation;
- 49 can report gas transportation.

Currently, there are 19 RRM applicants going through the RRM registration process.
Article 9 (1) of REMIT: “Market participants entering into transactions which are required to be reported to the Agency in accordance with Article 8(1) shall register with the national regulatory authority in the Member State in which they are established or resident, or, if they are not established or resident in the Union, in a Member State in which they are active.”

The publication of CEREMP:
- Improves the transparency of wholesale energy markets;
- Enables MPs to access information that they need;
- Enables MPs to comply with obligations under REMIT.
### Data Collection and Sharing

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

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market participants/ Third parties [14 350]</td>
<td>Trade reporting/matching systems</td>
</tr>
<tr>
<td>Exchanges [38]</td>
<td>Broker platforms [35]</td>
</tr>
<tr>
<td>TSOs/2 ENTSOs</td>
<td></td>
</tr>
</tbody>
</table>

**ACER**

**DG COMP**

**ESMA**

**27 National Regulatory Authorities**

**National Financial Market Authorities**

**National Competition Authorities**

**Other relevant authorities**

---

**Sharing**

**Reporting**
Data Flow

- **Notification Platform**
- **Urgent Market Messages**
- **Submission of Transactional / Fundamental data**
- **Data Flow**
  - ACER
  - OBIEE DB
  - SMARTS DB
  - Data Sharing DB
  - Case Mgmt. Tool

**ACER**

**Registration of MPs**

**Registration of Reporting entities**

**List of (24,425) standard contracts**

**List of OMPs**

**Data Processing**

**ACER and NRAs**

**ACER Notification Platform**

**Urgent Market Messages**

**Submission of Transactional / Fundamental data**

**ACER OBIEE DB**

**SMARTS DB**

**Data Sharing DB**

**Case Mgmt. Tool**
Data Content Validation

Data collection

T1/T2 staging

Content validation (validation rules)

Is the reporting party (MP) VALID i.e. properly registered in CEREMP?

Is the submitted record NOT a duplicate?

... 

CEREMP

YES

Data inserted in ARIS T2 DB

T2 DB

NO

The submitted record would not pass the validation & would be considered invalid (not REMIT-compliant).
The electronic formats for reporting transactions and orders to trade are defined in XML schemas constraining the values and data types that can be submitted.

- XML schemas for **reporting of transactions**:  
  1. Standard contracts (2 versions)  
  2. Non-standard contracts  
  3. Electricity transportation contracts (3 schemas)  
  4. Gas transportation contracts  

- XML schemas for **reporting of fundamental data**:  
  1. ENTSO-E fundamental data (4 schemas)  
  2. Electricity nominations  
  3. ENTSOG fundamental data  
  4. Gas nomination data  
  5. LNG data  
  6. Gas storage data  

- 3 XML Schemas for **Inside Information Reporting** (5 versions)  

In total, we have **11** data types reported via **21** formats + XMLs for code list.
Challenges
Exponential data growth - Yearly Trends

Total Number of Records per year (in millions)

- Trades
- Trades XBIL
- Trades Execution
- Orders
- Non-standard Contracts
- EL. Allocation
- EL. Rights
- Gas Allocation
- Gas Rights
- EL. Rights

Algorithmic trading

19
In 2020, the total number of records collected was **2.4B**, or on average **6.8M** records a day.
External changes and their impact on REMIT

**REMIT Challenges**

- **Market evolution**
  - Algo trading
  - EU Green deal
  - Market coupling expansion
    - Geographical
    - Market type
  - Increased market design complexity
  - New actors

- **REMIT Role evolution**
  - Improve data quality
  - Increased number of records
  - Promote usage of REMIT data to increase the value of REMIT data, e.g. for transparency purposes