EICom Workshop Reporting under ESO 26a
Agenda

12.30 Coffee
13.00 Address of Welcome
   Renato Tami, Director ElCom
13.15 Reporting under ESO 26a in Switzerland
   Cornelia Kawann, Chief of the Section Market Surveillance ElCom
13.30 Reporting for REMIT and ElCom – Lessons Learned from the first Reporting Phase
   Tilo Zimmermann, Managing Director, Ponton GmbH
14.15 Break
14.45 First Experiences with European and National REMIT Implementation
   Johannes Mayer, Chief of the Economy Department, E-Control
15.30 Information about the Reporting of Non-Standard Contracts
   Tzvetelina Tzankova, Alex Bohn, Section Market Surveillance ElCom
16.30 Panel Discussion and Question Round
   Administration: Roger Dubach, Diplomatic Associate, UVEK / EDA
17.00 The End
StromVV Reporting Obligations to ElCom – Lessons Learned from REMIT Phase 1

January 27, 2016 at the ElCom Workshop in Bern
Tilo Zimmermann, Managing Director, PONTON GmbH
REMIT Reporting to ElCom in a Nutshell

- Swiss law (StromVV 26a) requires Swiss MP to report any REMIT transactions for Electricity to ElCom, provided they have reported them to ACER as well.
- REMIT Phase 1 reporting started October 07, 2015. Deadline for ElCom reporting was December 02, 2015 (soft launch), but back-loading to ElCom required.
- In practical terms, only RRM (or OMP acting as RRM) could deliver data to ElCom.
- StromVV obligations presented a challenge to RRM in terms of technical connection, transaction filtering, business requirements and resource availability.
- EFETnet launched ElCom reporting in time, storing StromVV-relevant OMP trades & orders collected since October 07, 2015 centrally, and delivering almost a million records centrally and in batch to ElCom by November 30, 2015 (catch-up loading).
- Swiss MP using EFETnet did not have to change their local interfaces – this all worked off REMIT reporting to ACER.
- ElCom reporting through EFETnet now live for OMP trades, back-loading Phase 1, manual interventions (lifecycle) – majority of Swiss MP use EFETnet.
- EFETnet will deliver ElCom reporting for Phase 2 reports (automatic & manual) and for Phase 2 back-loading at the same time as reporting to ACER – no more delays.
- Coming challenges: FinfraG, REMIT Phase 2 - the latter not specific to Swiss MP.
Agenda

- Requirements for reporting under StromVV
- Implementation and testing with ElCom
- Go-live and experience for REMIT Phase 1
- Next steps for REMIT Phase 2
- FinfraG
Reporting Obligations for Swiss MP to ElCom

- REMIT applies to all wholesale trades of electricity and gas where delivery is in the EU, regardless of MP domicile
- ElCom as the NRA of Switzerland has no access to data collected by ACER, but non-compliance to REMIT is not an option for Swiss MP
- Hence three articles (26a, 26b, 26c) were added to StromVV, summary of 26a:
  - MP with a domicile in Switzerland, who are
  - trading in wholesale electricity and are
  - obliged to report information on this to ACER, must deliver
    - the same information at the same time and in the same form to ElCom.
- Start of reporting was the same as for REMIT, i.e. October 07, 2015 for OMP electricity trades and April 07, 2016 for bilateral electricity trades
- ElCom required all OMP trades to be reported by December 02, 2015 latest, if RRM take care of uploading OMP trades entered into between October 07, 2015 and their soft launch date
- This soft launch deadline was extended by ElCom to Dec. 15, 2015
- No soft launch for back-loading of REMIT phase 1 electricity trades, nor for phase 2 bilateral electricity trades
Challenges of ElCom Reporting for RRM

- Challenges for RRM:
  - Technical connection: Connection kit via web service
  - Transaction filtering: Only electricity, only Swiss MP with mandate
  - Signing up Swiss MP: Contractual framework, mandate per legal entity
  - Business requirements: reconciliation, proof of reporting, audit
  - Resource availability at RRM: parallel to REMIT Phase 1 launch

- In particular, one ACER XML file typically contains records from Swiss and Non-Swiss MP, for electricity and gas, with referenced orders on top
Challenges of ElCom Reporting for Swiss MP

- Challenges for Swiss MP:
  - Identify RRM with capability to connect to ElCom in time
  - Close contract for ElCom reporting on top of REMIT reporting
  - Reconciliation with reportable portfolio, proof of reporting, audit
  - Resource availability at MP: parallel to REMIT Phase 1 launch

- Ideally, the Swiss MP would not be exposed to the ElCom interface at all and would have no additional work and no additional cost

Diagram:
- Swiss MP
- RRM
  - Shielding OMP and MP from complexity of double reporting
- ElCom
- OMP
- ACER
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* Filter criteria for StromVV, REMIT:

- Subset of data sent to ACER
- MP (Organisation Group of MP) has valid eRR contract with EFETnet
- Organisation is on positive list for StromVV as designated by MP
- A record of an ACER XML is relevant for StromVV when Reporting Party is on the positive list for StromVV and product is power (ACER table 1, field 24, Energy commodity = "EL")
- EFETnet will not check place of delivery, that should be done by OMP (Phase 1) or MP (Phase 2)
EFETnet Implementation Plan EICom Reporting

Manage
- MPs sign eRR contract
- MPs designate Swiss reporting entities
- EFETnet starts testing with EICom

Collect
- EFETnet centrally collects OMP data for Swiss MP
- Finalise outbound connection to EICom
- Prepare inbound connection for results

Connect
- Live OMP data sent to EICom
- OMP data collected between October 07 and soft launch uploaded centrally
- REMIT back-loading

Fully Integrate
- Results from EICom fully integrated into CMS
- Audit, dashboard, reports work
- REMIT Phase 2 data live, both to ACER and EICom

Dates:
- Sept. 01 2015
- Oct. 07 2015
- Dec. 02 2015
- After Apr. 2016
Testing with ElCom in REMIT Phase 1

- EFETnet reached out to all Swiss MP registered with ACER
- Contracts with EFETnet and mandate for ElCom reporting collected
- Testing of individual OMP files by pilot testers
- Filtering and forwarding of OMP data built
- Catch-up loading as sub-case of asynchronous reporting
- All CMS functionality was deployed by EFETnet as follows:
  - Deployed final changes into UAT deployment on October 22, 2015
  - Deployed release into PROD CMS environment on November 02, 2015
  - Sign-off on Live-parallel tests by ElCom / BIT on November 16, 2015
  - Started live reporting on November 30, 2015 by activating EIC code list
- No outstanding issues with ElCom for Phase 1 reporting

EFETnet was first RRM sending live data to ElCom under StromVV
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To-dos for Swiss MP prior to launch

To-dos prior to REMIT Phase 1 launch

- MPs needed a valid contract with their RRM (“Accession Agreement” with EFETnet)
- MPs needed to make a binding designation of those legal entities for which StromVV-relevant trade information should be submitted to ElCom – ElCom mandate
- RRM can only filter and forward OMP data from OMPs which are connected to that third party RRM. Contact unconnected OMPs for alternative methods.
- Upload of ACER XML files by MP works – collect these yourself from unconnected OMP

To-dos after REMIT Phase 1 launch

- Hold back on REMIT back-loading until soft launch complete – even though this has happened, we are still working on the “catch-up loading”
- EFETnet gave update once central “catch-up loading” to ELCoM is complete – then follow REMIT back-loading procedure
- Verification of completeness of StromVV reports before March 02, 2016 only basic, more details TBD

No to-dos for the IT teams at Swiss MP
Go-live of ElCom reporting

- EFETnet CMS started live-parallel reporting on November 19, 2015 by activating the EIC code list of designated legal entities
- From Nov. 19 to Nov. 20, 2015, EFETnet successfully transmitted the first 164 ACER XML files to ElCom
  - Some ACER XML files cover all Swiss MP from one OMP, so partly quite large files
  - All of the 164 ACER XML files in that timespan were acknowledged as successfully transmitted – 100% success rate in production so far
  - ElCom only send technical Acknowledgement on whole ACER XML file
  - No business acknowledgement per record, not planned either
  - From Nov. 19 to Nov. 20, 2015, ElCom successfully received 15.591 Records from EFETnet
- Catch-Up Loading was started on November 28 and completed on November 30, 2015, thus prior to December 02, 2015
  - There were about a million records (both orders and trades) flagged for review
  - Only the power related records transmitted to ElCom
  - Swiss MP can now do their REMIT back-loading
Spot checks of sending to ElCom

- FHA access to the audit trial and the ACER XML file required for spot checks
- This is done by EFETnet service team / Ponton by now, as it contain records from multiple MP
- Check a few CpML lifecycle events in pairing mode, ElCom should get original (from OMP) and amended ACER XML (from MP), with designated testers
- Check upload of ACER XML on records previously sent through another OMP/RRM, e.g. ICE - ACER should reject, ElCom should receive, with designated testers
ACER XML as sent to ElCom

- Spot check: Compare records in ACER XML file sent to ACER with records in file sent to ElCom: gas records and records of Non-Swiss designated entities should be missing
- Access to complete ACER XML file cannot be given to individual MP
Sign-up of Swiss MP in time for catch-up loading

- 41 organisations on ElCom list of Swiss MP (as of Nov. 26, 2015)
- 25 of these organisations use EFETnet as their ElCom RRM as of Jan. 27, 2016
- Four of the largest Swiss MP form the testing group for ElCom reporting
- More MP can be added per simple request, if data is going to ACER via EFETnet
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Next steps EFETnet – ElCom reporting

- After REMIT Phase 2 launch in April 2016, EFETnet will deliver full integration of ElCom responses into CMS:
  - Dashboard
  - Audit Trail
  - Activity Reports
  - Box results
- Some design questions still open - e.g. cardinality of feedback, diverging reporting status, design of reports
- Testing group will continue to review specification and support testing, including live-parallel testing.
- Any reporting under REMIT Phase 2 is immediately available for ElCom reporting too, as ElCom filter checks late in the sending process
REMIT Reporting – Trades

Phase 1: reporting starts on 7 October 2015 on T+1 Basis

- Yes: Standard Contracts
- No: Traded on an OMP?

Phase 2: reporting starts on 7 April 2016 on T+30 basis *unless is a Standard Contract traded off-market (T+1 Basis)

- Yes: With defined Quantity and Price
- No: Non-standard Contracts

Table 1
- Phase 1
- Standard Contract

Table 2
- Phase 2
- Non-Standard Contract

* Execution under non-standard contracts
Issues under REMIT Phase 2

- Modelling of Table 1 vs. Table 2
- UTIs – ACER vs. ESMA approach (other regimes?)
- Reporting on behalf of third parties
- Secondary capacity trades
- Dealing with trades not captured in ETRM, other complex contracts on paper
- 80/20 rule for automation
- Back-loading for REMIT Phase 2

Phase 2 issues are independent of EICom requirements
EFETnet electronic Regulatory Reporting Solution Overview

EFETnet Central Matching Service

- Data Interface
- Routing Rules
- Data Interface

**eRR Dashboard**

- Order Reporting
- Order to Trade Reconciliation
- eRR lite
- Transform & Enrich
- Monitoring/Alerting
- Agent Reporting
- UTI Generation and Recon.
- Reporting History and Audit
- Portfolio Reconciliation

**Data**

- Purging
- Reference Data
- Standing Instructions

EFETnet WELL CONNECTED.

Traders OMPs

EMIR TRs

ACER

National Regulatory Authorities
Requirements for reporting under StromVV
Implementation and testing with EICom
Go-live and experience for REMIT Phase 1
Next steps for REMIT Phase 2
FinfraG
Outlook on Swiss EMIR - FinfraG

- FinfraG is a Swiss federal law roughly equivalent to EMIR and Dodd-Frank
- Includes major obligations from EMIR: trade reporting to TR, clearing obligation, risk mitigation, classification into FC and NFC- and NFC+
- Less stringent obligations on NFC compared to EMIR and a wait-and-see approach to position limits – maybe eroded to achieve EU-recognition
- FinfraG came into force on January 01, 2016
- Delay for reporting to TR is six months after FinfraG TR have been authorized by FINMA – mid-2016 at the earliest
- NRA responsible for implementing will by FINMA, which may delegate operation to the exchange supervisory authority of SIX
- As with ACER and ElCom, there is no guaranteed access for FINMA/SIX to EMIR-TR
- Worst case: Financial derivatives with underlying electricity may need to be reported to TR under FinfraG, to ACER, and to ElCom
Looking forward to your call

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PONTON is the implementation partner of EFETnet.

Given that German is the native language of many Swiss MP and of key ElCom personnel, Tilo serves as liaison between ElCom, Swiss MP and EFETnet.
E-CONTROL

PROFITIEREN. WO IMMER SIE ENERGIE BRAUCHEN.
Erste Erfahrungen mit Europäischer und Nationaler REMIT Umsetzung

Johannes Mayer
27. Jänner 2016
REMIT – Kein Kavaliersdelikt

In the end of 2015 the Spanish NRA (CNMC) fined the Spanish energy group, Iberdrola, EUR 25m for a breach of Article 5 of REMIT. According to the CNMC, Iberdrola had manipulated prices over three weeks starting from 30 November 2013 from its Duero, Sil, and Tajo hydroelectric power plants. Together the three plants account for around half of the country’s total hydroelectric capacity.

System Operator (TSO), Elering EUR 10 000 for non-compliance with Article 4 obligations. According to the regulator, Elering did not inform the market in “sufficient time” of maintenance work, which would disrupt supply for a longer period than initially expected, on the 650 MW Estlink 2 subsea electricity cable that links Estonia with Finland.
Agenda

• Datensammlung in der EU
• Überwachung in der EU
• Überwachung und Regionale Kooperation

• Datensammlung in Österreich
• Überwachung in Österreich
Datensammlung durch ACER

4878 Marktteilnehmer
8886 Standardverträge
66 OMP

40 RRM

Quelle: ACER REMIT Portal
Überwachung in der EU

Mittlerweile gibt es einen relativ konstanten Bestand von etwa 30 offenen Cases.

Großteil der Untersuchungen kommen (noch) durch Hinweise aus dem Markt zustande.

Bis vor kurzem war die nationale Umsetzung von REMIT oftmals der Grund, warum Fälle nicht verfolgt werden konnten.
Regionale Kooperation

Aktuell existieren drei Gruppen von Regulierungsbehörden, die im Monitoring geregelt zusammen arbeiten wollen

ACER ist in die „Gruppenarbeit“ eingebunden

ACER organisiert den Informationsaustausch zwischen den Gruppen

Weitere Gruppen sind bereits weit gediehen
REMIT in Österreich

• Eigene DatenVerordnung in Österreich
• Auslaufen der Datensammlung, wenn EU operativ
• Datensammlung seit 1.5.2015 für Standardkontrakte und Nominierungen
• Datensammlung seit 1.10. 2015 für NichtstandardKontrakte
Projektidee

Rechtsgrundlage
- Verordnung

Risikokonzept
- Datenschutz
  - HR
  - IT
  - Kommunikation
  - Bauliche Maßnahmen

Daten
- Standardverträge
- NichtStandardverträge
- Fundamentaldaten
- Nominierungen

Visualisierung und Alerts
- Orderbücher
- Handelspositionen

Operativer Betrieb
- Marktteilnehmer
- Handelsplätze
- Case Management
- Insiderpublikationen

AWARENESS
Datensammlung in Österreich

- 159 ACER Codes
- 215 User
- 370 Marktteilnehmer
- 40 G Byte
- 50 M Orders
- 200 k Nominations
- 1 k Trades
- Mehrere Mrd € Vertragswert
Datensammlung in Österreich

Erfahrung mit Datensammlung:
„Erstaunlich kooperative Branche“: REMIT wird als High-Risk eingestuft → Ressourcen werden im Unternehmen freigegeben;
Bisher etwa 1000 inhaltliche Anfragen abgearbeitet

**Standardkontrakte**: Datenqualität im wesentlichen zufriedenstellend; Nachhaken eher im Orderbereich notwendig

**Nicht Standard Kontrakte**: Viele Diskussionen zwischen Marktteilnehmern und Behörde notwendig:
- ist das überhaupt ein Vertrag?
- welche Werte sind einzutragen?
- …..
Überwachung in Österreich

• Factsheets
• „Lästig Sein“:
  – Kontakt zu Ansprechpartnern aufbauen
  – Verständnis für interne Abläufe
  – Bei:
    • Marktteilnehmern
    • Handelsplätzen
Überwachung in Österreich

• Plan 2016:
  – Fine Tuning Standard Alerts
  – Entwicklung neuer Alerts
  – Integration Fundamentaldaten und Tradingdaten
  – Entwicklung von Referenzpreisen für wichtige Orderbücher
  – Case Handling standardisieren
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E-CONTROL

PROFITIEREN. WO IMMER SIE ENERGIE BRAUCHEN.
Information on Reporting of Non-Standard Contracts

Tzvetelina Tzankova, Alex Bohn / ElCom Market Surveillance

ElCom Workshop Reporting under ESO 26a
Agenda

1. Reporting of Non-Standard Contracts under REMIT
2. Reporting of Non-Standard Contracts to ElCom
3. Questions
Agenda

1. Reporting of Non-Standard Contracts under REMIT
2. Reporting of Non-Standard Contracts to ElCom
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Timeline REMIT Implementation

Realized Timeline ElCom
Planned Timeline ElCom

Source: ACER, ElCom
Distinction between standard and non-standard contracts:

- **A standard contract** is defined as a contract concerning a wholesale energy product admitted to trading on an organized market place (OMP), irrespective of whether or not the transaction actually takes place at that market place.

- **A non-standard contract** is a contract concerning any wholesale energy product that is not a standard contract.

Clarification of standard vs non-standard contract

Organised Market Places

- Spot Auctions
- Spot Continuous
- Forwards
- Derivatives

Bilateral contracts

- Non-Standard Contracts

Table 1

Table 2

(1) Trades not reported under EU financial legislations
(2) Contracts that are admitted to trade at Organised Market Places
(3) Details of transactions executed within the framework of non-standard contracts specifying at least an outright volume and price shall be reported using Table 1 of the Annex to the IAs.

Source: ACER
Decision tree for the reporting of standard and not standard contracts and the use of Table 1 or Table 2

Phase 1: reporting starts on 7 October 2015 on T+1 basis
- YES: Standard Contracts
- NO: Traded on Organised Market Place (OMP)

Phase 2: reporting starts on 7 April 2016 on T+30 basis
- unless is a Standard Contract Traded Off-market (T+1)
- Standard Contracts
- With Defined Quantity and Price
- Non-Standard Contracts
- With NO defined Quantity and Price
- Execution under non-standard contracts

Source: ACER
## Transaction Reporting under REMIT (1)

<table>
<thead>
<tr>
<th></th>
<th>REMIT Table 1</th>
<th>REMIT Table 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deadline begin of SCs reporting:</strong>&lt;br&gt;7th of October 2015</td>
<td>all standard contracts</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Deadline begin of NSCs reporting:</strong>&lt;br&gt;7th of April 2016</td>
<td>- off-venue bilateral contracts admitted to trade at an OMP&lt;br&gt;- transactions executed within the framework of a non-standard contract specifying at least outright volume and price&lt;br&gt;- executions under non-standard contract</td>
<td>all non-standard contracts and executions under non-standard contracts that do not have defined price and quantity at the time of entering into the contract (volume, price, delivery scenarios or any combination of the three)</td>
</tr>
<tr>
<td><strong>When to report?</strong></td>
<td>T+1</td>
<td>T+30</td>
</tr>
<tr>
<td><strong>Who is to report?</strong></td>
<td>RRM, OMP</td>
<td>MP and/or RRM</td>
</tr>
</tbody>
</table>
Market Participant

OMP (i.e. exchanges, brokers, PPATs, other trading venues)

RRM (Registered Reporting Mechanism)

no unified way for reporting under REMIT; channel of reporting at MP’s discretion

transactions under standard contracts performed on OMPs
orders to trade related to transactions performed on OMPs
transactions under standard and non-standard contracts outside OMPs
self-reporting of non-standard contracts outside OMPs

as of October, 7th, 2015
as of April, 7th, 2016

Source: swisselectric, ElCom
Agenda

1. Reporting of Non-Standard Contracts according to REMIT
2. Reporting of Non-Standard Contracts to ElCom
3. Questions
Data Exchange ACER - EU NRAs

**European data reporting to ACER**
- Transaction data
  - Art. 8 (1) REMIT
- Fundamental data
  - Art. 8 (5) REMIT

**Implementing Acts**
- + ACER decisions

**Data base ACER**

**National data reporting to NRA**
- Poss. additional data reporting (e.g. based on national law)

**Regulation**
- + NRA decisions

**NRA Data base**
- ACER + additional national data
Data Exchange ACER - EU NRAs - ElCom

**European data reporting to ACER**
- Transaction data
  - Art. 8 (1) REMIT
- Fundamental data
  - Art. 8 (5) REMIT

**National data reporting to NRA**
- Poss. additional data reporting (e.g. based on national law)

**Implementing Acts + ACER decisions**

**Data base ACER**

**Regulation + NRA decisions**

**NRA Data base**
- ACER + additional national data
1. Reporting via RRM

Market Participant → RRM → ElCom
2. Self-Reporting

Market Participant

1. xml file download

2. web application

3. manual submission

ElCom

ACER

ElCom Workshop Reporting under ESO 26a
3. Process of Reporting with ElCom

- **Registration** with ElCom (RegTool)
  - Choice of **RRM(s)**
    - a) RRM already registered with ElCom
    - b) Instruction to RRM to register and connect with ElCom
    - c) Information of the RRM(s) to ElCom within RegTool
  - **Start** data submission of RRM to ElCom
Addressees for Questions

  Email: market.surveillance@elcom.admin.ch
  Tel. +41 58 46 18926

• NRA in the country of registration

• ACER: [https://www.acer-remit.eu/portal/document-download?documentId=c274jb186be](https://www.acer-remit.eu/portal/document-download?documentId=c274jb186be)

• ACER REMIT Portal:

  ![ACER REMIT Portal](image-url)
Agenda

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Thank you for your attention!