



Consultation Response

By email to consultation2013R01@acer.europa.eu

Response from:

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Agency for the Cooperation of Energy Regulators

Trg Republike 3

1000 Ljubljana

Slovenia

Dear Sir/Madam,

ELEXON Ltd's response to ACER's consultation: REMIT – ACER Guidelines for the registration of Registered Reporting Mechanisms and for the registration of Regulated Information Services

We welcome the opportunity to respond to this consultation.

What is ELEXON Ltd's role?

ELEXON Ltd delivers the centrally-mandated electricity settlement services that are critical to the successful operation of Great Britain's electricity trading arrangements under the national GB Balancing and Settlement Code (BSC). We manage processes and systems from electricity meter to bank, handling over £1.5 billion of transactions and interacting with over 250 companies in the British electricity industry. As part of this we administer the settlement of the GB Balancing Mechanism and GB imbalance settlement for generators and suppliers (retailers) in respect of each half hour of each day. We are independent of any specific interests within the electricity sector.

Our response

The views expressed in this response are those of ELEXON Limited alone, and do not seek to represent those of the Parties to the GB Balancing and Settlement Code (BSC). And our response does not seek to favour any particular policy but rather to comment on the practical implementation.

The structure of this response is as follows:

- General comments
- Answer to specific consultation Questions

General Comments

Balancing market contracts and related data (registration as a Regulated Reporting Mechanism)

We believe that the GB Balancing Mechanism will be required to report Bids, Offers and Bid-Offer Acceptances (contracts) under REMIT in the second phase of reporting; and possibly other related data in the first phase of reporting (see our response to the other ACER consultation (PC_2013_R_02) on Technical Standards for Trade Reporting).



Consultation Response

In view of the fact that such data is, or is likely to be, reportable, we believe that it is likely that we and/or our agents may be required to register as a Regulated Reporting Mechanism (RRM).

Implementation of the Transparency Regulation (registration as a Regulated Information Service)

As background, the GB electricity industry is also currently considering whether to recommend to our National Regulatory Authority, Ofgem, that our GB Balancing Mechanism Reporting System (BMRS) should be a REMIT inside information reporting platform for the GB electricity sector. If Ofgem approves such a development then we anticipate that we and/or our agent, who runs the BMRS, may be required to register as a Regulated Information Service (RIS) so this is why we are interested in the RIS registration process as well as the RRM registration process.

Process and Timing of registration

As we and/or our agents may be required to register as Regulated Reporting Mechanisms and/or Regulated Information Services, we are particularly keen to keep up to date with the registration requirements and processes and when the registration might commence or be required to complete.

We would welcome any information that ACER can publish on this as we go forward and particularly if ACER can send out announcements as the requirements and timings become clear.

Answers to specific consultation Questions

Question I.1 (Registration process) – The technical specifications should be available to potential applicants as well as applicants (because potential applicants may need to assess them before deciding whether to apply); and the non-disclosure agreement should allow applicants (and potential applicants) to share them with advisers and service providers where necessary.

Question II.3 (RRM registration criteria) – section 4.1 of the criteria states that: “An RRM must obtain and record that market participants agree to use its services and disclose this periodically to the Agency at least once a year”. While we would be happy to confirm to the Agency the agreements once a year, we don’t think it would be efficient to go back to all the market participants each year to check whether they still agree particularly, as is possible for balancing market contracts in particular, that the agreement forms part of a national code requirement such as the GB BSC.

Section 4.6 – certain RRM’s may be publishing all their data publicly as well as to the Agency (if they are reporting trades of a type that require public disclosure); and the 4.6 requirements may be disproportionate in such a case. (For example, GB balancing market Bid-Offer Acceptances are contracts that are published on our BMRS website.)

Section 5.5 requires re-registration every two years. We would ask that any re-registration is appropriate to the circumstances. For example, if we are required to report balancing market contracts through an obligation in our GB BSC for example, it would effectively be an ongoing legal requirement on us to continue to be an RRM. Therefore it would be appropriate for us to be audited to ensure ongoing compliance rather than having to re-register.



Consultation Response

Question III.1 (types of Regulated Information Service) – We envisage that there may be local (i.e. national or regional) platforms that report inside information through established local public reporting mechanisms, while also simultaneously passing the same information to a European Transparency Platform. This creates a potential for the Agency to receive the same information twice: from the local inside information platform, and from the European transparency platform. We therefore suggest that it may be appropriate to clarify in the definitions that inside information platforms are not required to report directly to the Agency any inside information that is being reported to the Agency through a European transparency platform. And to enable this, that the European transparency platform must make clear to the local platforms which of local platform's data is not therefore required to be reported directly to the Agency by the local platform.

Question III.3 (information via web feeds) – we agree that web-feeds are sufficient for the provision of data to ACER.

Question III.4 (technical specifications) – as a potential reporter of both transparency and inside information data; and non-confidential (in GB) balancing market contract data we see no need for a distinction between the technical specifications.

In conclusion

We hope that our comments are helpful to the development of the reporting processes and systems under REMIT and the forthcoming Transparency Regulation.

If you would like to discuss our response, please do not hesitate to contact me on +44 20 73 80 42 53, or by email at steve.wilkin@elexon.co.uk.

Yours faithfully

Steve Wilkin
Senior Market Advisor