

Conclusions of the 4th EMIT Forum

On 9 October 2020, ACER held the virtual 4th Energy Market Integrity and Transparency (EMIT) Forum on safeguarding the energy markets in changing times and beyond with approximately 250 participants participating and a range of active contributors across the sector. ACER's Director Christian Zinglensen, ACER's Chair of the Board of Regulators Clara Poletti and ACER's Chair of the Administrative Board Jochen Penker opened the forum with their welcome address. The European Commission's Director-General for Energy (DG ENER) Ditte Juul Jørgensen gave a keynote address by putting REMIT into the perspective of recent policy initiatives from the European Commission in the field of energy policy.

The morning sessions focused on the various policy initiatives affecting wholesale energy trading, the consequences of COVID-19 measures, and the most recent cases of market manipulation.

In the session "REMIT, European Green Deal and beyond", Christian Zinglensen (ACER's Director) and Catharina Sikow-Magny (Director for the Internal Energy Market at DG ENER) discussed policy initiatives impacting wholesale energy trading (e.g. integration of renewables, emission allowances, hydrogen). In the following polling session in relation to REMIT and the Green Deal, most participants agreed that market integrity is a necessary prerequisite for further energy market integration and that the REMIT regime would therefore make an important contribution to the success of the European Green Deal. There was a consensus amongst participants that there will be obvious synergies between the monitoring of a potential hydrogen wholesale market and the monitoring of the existing REMIT commodities, pointing to the conclusion that a prospective hydrogen wholesale market should fall under the scope of REMIT.

In the session on consequences of Covid-19 measures to trading, the market, monitoring and cooperation, a representative from a National Regulatory Authority (NRA) introduced into the topic by presenting challenges and solutions as well as some lessons learnt from an NRA perspective. Representatives from several stakeholder organisations gave insights from their point of view. In the following polling session regarding the consequences of COVID-19, most participants agreed that the transition into remote work after the COVID-19 outbreak was rapid yet smooth for all stakeholders in the field. Nonetheless, the majority of participants were of the opinion that the pandemic would likely affect their way of working in the future and result in fewer internal physical meetings, less business travel, less frequent external meetings with stakeholders, and a more extensive use of teleworking. In addition, the majority of participants agreed that the COVID-19 pandemic would accelerate the transformation of the energy sector towards the goals of the European Green Deal because distributed systems improve not only readiness for future crisis; the current crisis has boosted digitalization in the energy sector already.

At the end of the morning in the session on REMIT cases and fines, several representatives from national regulatory authorities presented recent REMIT cases. The majority of participants agreed that the recent fines issued by national regulatory authorities (NRAs) had significantly contributed to the REMIT regime's deterrent effect on market abuse. The participants also agreed that the Forum highly benefits from case presentations by NRAs and welcomed presentations on cases in future fora.

The afternoon session started with the topic of cooperation under REMIT with other authorities and the interventions from representatives from national competition authorities and ESMA. The majority of participants recognised that cooperation between European and national authorities was becoming increasingly important for sector-specific frameworks such as REMIT, especially with more and more

REMIT cases seeing the light of day. It was suggested that cooperation be extended to other authorities as well, such as tax or emission authorities.

The next panel focused on market trends and outlook, where ACER representative presented the current state of play on data collection, data analytics and reporting guidance. Several representatives from stakeholder organisations intervened and *inter alia* presented their experiences with 5 years of transaction reporting, recent guidance updates and the introduction of REMIT fees and gave an insight into market trends and outlook from their point of view. In the following polling session, almost all participants agreed that the REMIT legal framework should be updated in the light of new regulatory and market developments.

In the polling session on market trends and outlook, the participants were also asked about their expectations in terms of the improvement of ACER's REMIT services after the implementation of the REMIT fee regime. The most requested improvement was to ensure general transparency of the collected data (via publication) and provide access to or feedback on the reported data. The second most requested enhancement were IT improvements of ARIS and the related services, followed by data quality, guidance and surveillance.

Representatives from the United States' Federal Energy Regulatory Commission (FERC), the Swiss National Regulatory Authority ElCom and the Energy Community Secretariat provided insights into the implementation of wholesale energy market integrity and transparency regimes in their jurisdictions. In addition, a representative from Ofgem presented about the likely post-Brexit situation concerning market integrity and transparency in wholesale energy markets the UK. Already today, the sphere of influence of the REMIT regime reaches beyond the borders of the EU 28. REMIT Stakeholders are determined to continue and to deepen the existing cooperation with neighbouring countries and the Energy Community.