



# EU Update

Transmission Workgroup  
6<sup>th</sup> June 2024



# Revision of EU REMIT Regulation

# REMIT II

- The EU Regulation on Wholesale Energy Market Integrity and Transparency (REMIT) [Regulation - 1227/2011](#) entered into force in 2011, seeking to prevent energy markets from abuse
- The Regulation was revised with effect from 7 May 2024
  - A summary of the additional measures can be found [here](#)
- On 16 April 2024, ACER published an [open letter](#) about the implications of the recast Regulation for parties that have reporting obligations
- At Brexit, reporting of GB market data to ACER ceased, however, the recast Regulation introduces additional obligations for ‘Organised Marketplaces’ (OMPs)
- PRISMA is one such OMP, which remains the capacity booking platform for GB shippers at Interconnection Points

# REMIT II

- Article 8(1)(a) of the recast Regulation states:

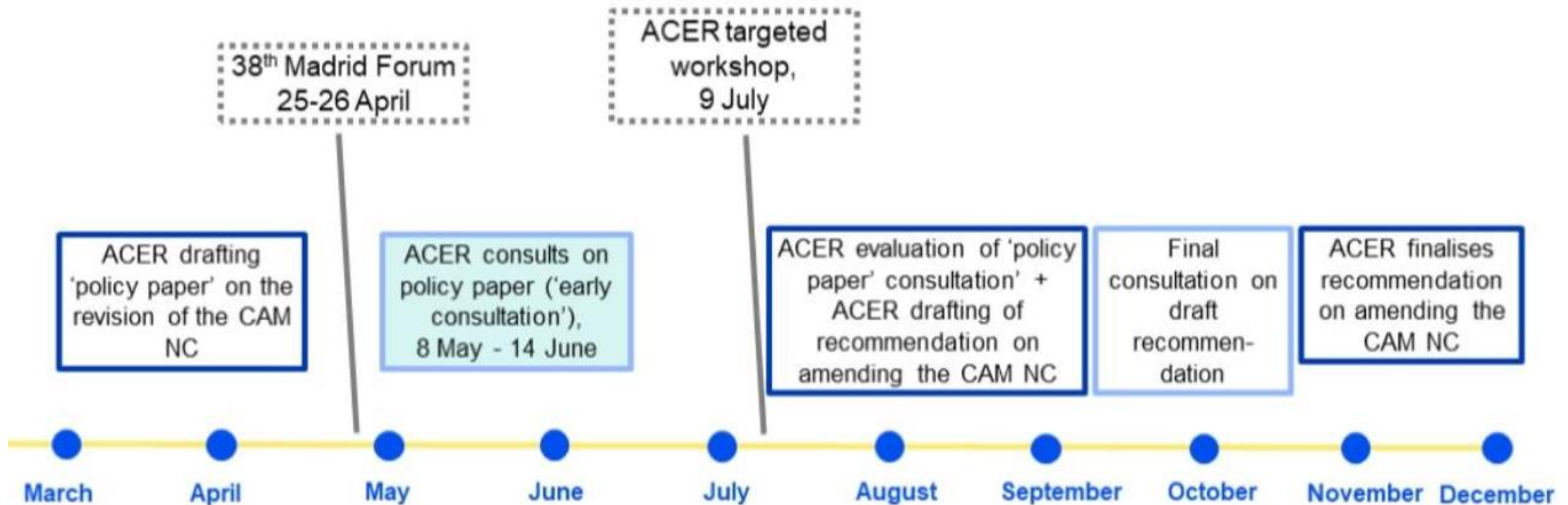
*For the purpose of reporting records of transactions in the wholesale energy market, including orders to trade, entered, concluded or executed at organised marketplaces, those OMPs, or third parties on their behalf, shall:*

- (a) make available to the Agency data relating to the order book, in accordance with the specifications set out in the Implementing Regulation (EU) No 1348/2014, thereby fulfilling on behalf of market participants their obligations pursuant to paragraph 1 of this Article; or,*
  - (b) upon the Agency's request, give the Agency access without delay to the order book so that the Agency is able to monitor trading on the wholesale energy market.*
- NGT therefore expects that PRISMA will be obliged to report all transactions executed on its platform to ACER, including those in respect of Moffat, Interconnector and BBL IPs
  - Primary market capacity allocations, including any unsuccessful bids
  - Secondary transactions executed on its platform

# Revision of the EU Capacity Allocation Mechanism (CAM) Network Code

# Revision of CAM - process

- ACER are consulting on a policy paper regarding amending the CAM network code.



# Revision of CAM – areas of amendment I

## 1. Maximising the offer of Firm Capacity

*Availability of Capacity Calculation Methodologies, transparency of capacity maximisation, dynamic recalculation*

## 2. Maximising the offer of Interruptible Capacity

*Amount of interruptible offered, bundling of interruptible capacity*

## 3. Improving the offering of capacity

*Limitations with existing auctions, products, products, frequency, algorithms, set aside rule, bundling of interruptible capacity*

# Revision of CAM – areas of amendment II

## 4. Improving the offering of capacity: adapting the rules to the market

*Enabling adaption to market circumstances*

## 5. Improving the incremental capacity process

*Burdensome process, low take up, streamline process*

## 6. Further amendment proposals

*Implicit allocation, application of CAM to 3<sup>rd</sup> countries, booking platform selection, WD auction timing, capacity conversion model*



# Revision of CAM – Considerations

- CAM network code was transcribed into GB law at the time of EU exit.
- Some references to EU institutions (ENTSO, ACER) were dropped, but largely UK CAM  $\approx$  EU CAM.
- As a 3<sup>rd</sup> country, the proposed EU CAM amendments do not automatically apply to UK.
- If ACER amends EU Regulation 2017/459 (EU CAM) then the UK version of CAM and the EU version will have diverged.
- An amendment to UK legislation would be required to amend UK CAM.
- Our main concern is continuing to have a well functioning interface between markets.
- 3 key strands for evaluation:
  - Does anything break or deteriorate if we don't implement.
  - Are individual proposals worthy on their own merits.
  - What legal and regulatory change is required to implement any changes.
- NGT is currently evaluating the impact of the proposals, all stakeholder views are welcome.

