

# REMIT Registration

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Financial Services and Regulation

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The Office of Gas and Electricity Markets (“Ofgem”) has published (on March 18, 2015) a Guide for market participants registering in accordance with the Regulation on Wholesale Energy Markets Integrity and Transparency (“REMIT”). The Guide includes the deadlines for submitting the required information.

REMIT pertains to the gas and power markets, requiring market participants to report agreements relating to the supply and transportation of electricity and gas within the European Union (“EU”). Reports will be made to the Agency for the Cooperation of Energy Regulators (“ACER”). Given the nature of market trading, Ofgem works closely with the Financial Conduct Authority (“FCA”) and with other National Regulatory Authorities to detect and investigate cross-border market abuse.

REMIT is Regulation (EU) No. 1227/2011 of the European Parliament and of the European Council of October 25, 2011 on wholesale energy market integrity and transparency. It entered into force on December 28, 2011. It is a European regulation designed to improve transparency in wholesale gas and electricity markets and also prohibits insider trading and market manipulation in these markets. Accordingly, REMIT introduces for the first time a consistent EU-wide framework:

- defining market abuse, in the form of market manipulation, attempted market manipulation and insider trading, in wholesale energy markets;
- prohibiting market manipulation, attempted market manipulation and insider trading in wholesale energy markets;
- establishing a new framework for monitoring wholesale energy markets to detect and deter market manipulation and insider trading; and
- providing the enforcement of these prohibitions and the punishment of breaches of market abuse rules at national level.

## CEREMP

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The Centralised European Registry of Energy Market Participants (“CEREMP”) will gather basic information about all market participants trading wholesale European energy products. The establishment of CEREMP is one of the aims of ACER’s overall REMIT Information System (“ARIS”). The National Regulatory Authorities are responsible for regulating the electricity and gas markets in each Member State of the EU. These National Regulatory Authorities (such as Ofgem), establish and manage registers, which provide information to CEREMP about market participants. The collection of this registration information ensures the identification of market participants that trade wholesale energy products across Europe and registration information will also improve ACER’s and Ofgem’s understanding of the

connections between different market participants, thus enabling them to monitor wholesale markets more effectively.

## Who has to register?

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Article 9 of REMIT provides that market participants entering into transactions which are required to be reported to ACER are required to register with the appropriate national regulatory authority. “Market participant” is defined in Article 2(7) of REMIT to mean “any person, including transmission system operators, who enters into transactions, including the placing of orders to trade in one or more wholesale energy markets”.

Market participants are only required to register once, with a single National Regulatory Authority. Market participants that are established or resident in Great Britain should register with Ofgem. If market participants are not established or resident in the EU, they should register in a Member State “in which they are active” (Article 9(1) of REMIT). Accordingly, where a market participant is not established or resident in the EU but is active only in Great Britain (that is trading products for delivery in Great Britain), they should register with Ofgem. Where a market participant is not established or resident in the EU, but is active in several Member States, such entity is able to choose which Member State to register in. If the majority of its activity is in Great Britain, that entity should register with Ofgem.

## Information to be provided

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In ACER Decision No. 01/2012, published on June 29, 2012, ACER outlined the registration information which market participants must provide. This is divided into five sections, as follows:

- data about the market participant;
- data about natural persons linked to the market participant;
- data about the ultimate controller of the market participant;
- data about the corporate structure of the market participant; and
- data about the delegated parties for reporting on behalf of the market participant.

ACER Decision No. 01/2012 outlines the registration information market participants must provide under these sections and provides a complete list of the data to report in each section in an appendix. Market participants may use CEREMP to notify Ofgem of any changes to the information.

## Deadline for registration information to be submitted

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Transaction reporting begins on:

- October 7, 2015 for contracts executed on organised market places; and
- April 7, 2016 for contracts concluded off organised market places.

It is essential that market participants submit the registration form before they start reporting transactions. Once transaction reporting begins, any market participant that enters into a transaction which should have been reported without having submitted the registration form may be in breach of REMIT Article 9. Ofgem encourages market participants to start the registration process well in advance of the legal deadline and emphasises the importance of providing accurate information. Ofgem's guide to REMIT Registration published on March 18, 2015 may be [accessed here](#).

If you have any questions concerning the material discussed in this client alert, please contact the following members of our Financial Services and Regulation practice group:

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