

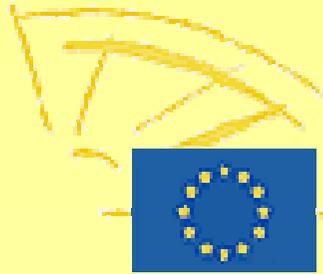
REMIT: State of play regarding EP decision-making process and negotiations with Council

20th Electricity Regulatory Forum

23-24 May 2011, Florence

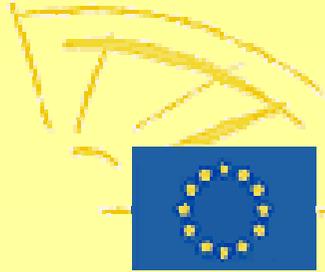
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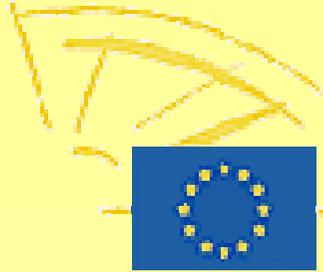
Overview of the presentation

- I. **Who's involved and when?**
 - steps of the EP internal-decision making procedures & key players within EP
- II. **What are Members concerned about?**
 - amendments & compromise amendments
- III. **What's next?**
 - planning of negotiations with Council



I. Timeline of EP internal decision-making

- ✓ Allocation of report to political group (ALDE) at the 1st coordinators' meeting following announcement of proposal in Plenary: 26 January 2011
- ✓ Nomination of rapporteur (Mr. Chatzimarkakis) at the 1st group meeting following allocation of report: 15 February 2011
- ✓ First discussion of proposal within ITRE: 16 March 2011
- ✓ Deadline for rapporteur to submit his draft report for debate in ITRE: 23 March 2011
- ✓ Consideration of draft report in ITRE: 12 April 2011
- ✓ Deadline for tabling amendments: 19 April 2011
- ✓ Availability of all amendments in English: 11 May 2011
- ✓ 1st shadows' meeting to discuss draft compromise amendments: 11 May 2011



I. Key players in Parliament

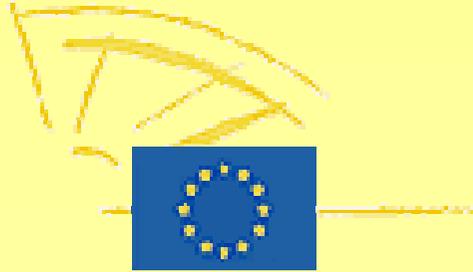
□ Rapporteur & shadow rapporteurs:

- Mr Jorgo CHATZIMARKAKIS, ALDE, Germany
- Mr András GYÜRK, EPP, Hungary
- Mr Hannes SWOBODA, S&D , Austria
- Mr Claude TURMES, Greens, Luxembourg
- Mr Konrad SZYMANSKI, ECR, Poland
- Ms Niki TZAVELA, EFD, Greece
- Mr Vladimir REMEK, GUE, Czech Republic

□ Opinion-giving Committees:

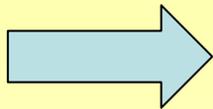
ECON: Rapporteur, Mr Robert GOEBBELS, S&D, Luxembourg

IMCO: Rapporteur, Mr Rafal TRZASKOSKI, EPP, Poland



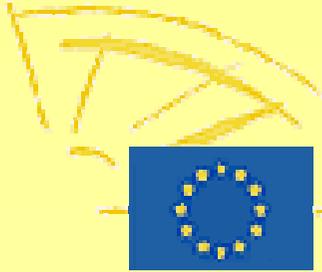
II. Amendments tabled

- Draft report contained 52 amendments
(some of these AMs will be withdrawn by rapporteur)
- Members of ITRE tabled 302 additional amendments



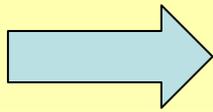
354 amendments to the COM proposal

- Issues addressed (non-exhaustive list):
scope (CO₂ emission certificates, financial regulation),
definitions (insider information, additions), liaison office at market
place for ACER, exemptions from prohibition of insider trading,
delegated acts, powers of ACER, role of national authorities,
licensing regime (NEW!), penalties, confidentiality
requirements...



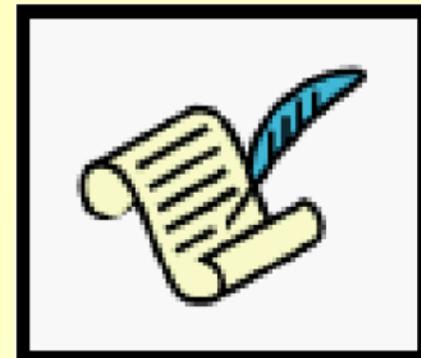
II. Draft compromise amendments

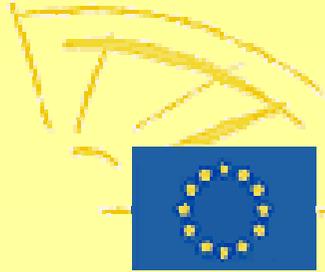
- 28 compromises proposed by rapporteur at shadows meeting on 11 May in Strasbourg



Broad consensus regarding rapporteur's proposals

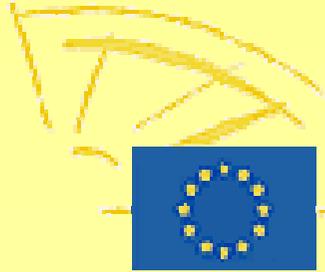
- Additional shadows' meeting on 24 May (tomorrow), possibly 3 more compromises on definition of wholesale energy market, binding framework for data reporting, data reporting
- Vote of negotiating mandate in ITRE on 26 May at 10 AM in ITRE Committee





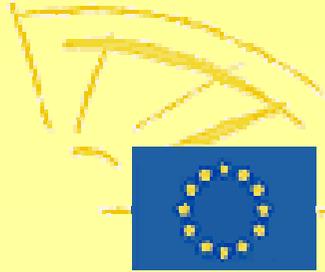
II. Draft compromise amendments

- **Scope:** in principle as proposed by COM with emphasis on coherence with financial regulations & inclusion of balancing markets
CO2: not included, but ACER must get access to data collected later on by CO2 specific transparency tool
Exemption: No general exemption for contracts for use of final consumers, but de-minimis threshold in GWh per year
- **Definitions:** detailed specification of insider information, delegated acts in close cooperation with ACER & contact point for market participants (art. 5)
- **Prohibition of insider trading:** limited exemption for transactions covering immediate physical loss resulting from unplanned outages – open positions (art. 3)



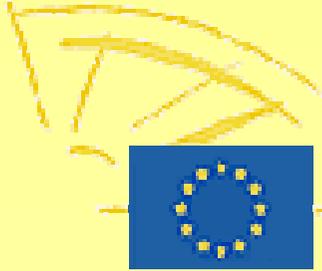
II. Draft compromise amendments

- Licensing regime (new element!): mandatory EU-wide registration scheme & “enhanced cooperation” on EU-wide licensing regime - both to be specified by delegated acts (art. 5 a (new))
- Data collection: delegated acts whose content is more specified than in COM proposal & access for ACER to CO2 emission allowances trading data (once available) (art. 7)
- Data protection: strengthening of confidentiality requirements (art. 9)
- Investigatory powers: strengthening of role of ACER & cooperation with competition and financial authorities (art. 10)



II. Draft compromise amendments

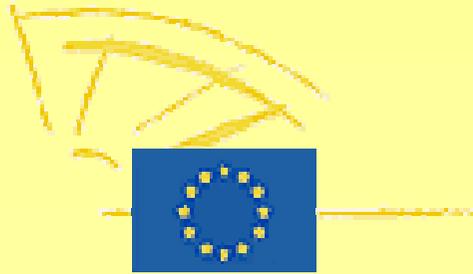
- **Penalties:** Higher than potential gains from illegal operations & minimum standards for penalties in due time to be established later on (following on-going consultation by COM) (art. 13)
- **Relations with 3rd countries:** strengthening of provisions, what about Switzerland (non-EEA trading place and hub of EU energy markets?) (art. 14)
- **Delegated acts:** alignment with common understanding on delegated acts by Council and Parliament (1 article instead of 3)
- **Entry into force:** provisions requiring delegated acts (definitions, data collection and licensing/registration scheme) enter only into force once delegated acts adopted (art. 18)



II. Likely key issues for Parliament

- ✓ Strong role and sufficient means for ACER in monitoring and implementing REMIT
- ✓ Introduction of a registration/licensing regime to enhance transparency
- ✓ Link to CO2 specific transparency instrument
- ✓ No implementing acts! (delegated acts, where needed)
- ✓ Minimum standards for penalties (as a step towards harmonisation)
- ✓ Accountability towards Parliament





III. What's next?

- **Vote in ITRE on negotiating mandate: 26 May**
- **1st trilogue: 16 June (evening)**
- **2nd trilogue: 23 June (evening)**
(+ possibility of 3rd meeting on 29 June, morning)
- **Vote in ITRE on final report**
(= consolidated amendment as result of trilogue negotiations): 12 July
- **Adoption in Plenary: possibly September 2011**
followed by approval of EP position by Council
asap afterwards (= 1st reading agreement)