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**E.ON Position on**

**FUNDAMENTAL ELECTRICITY DATA TRANSPARENCY**

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## Introduction

E.ON believes that transparency is crucial to promote a level playing field by reducing information asymmetry and ensuring a more efficient functioning of wholesale market competition. Transparency of fundamental data is one of the cornerstones of an energy-specific, tailor-made regime to ensure transparency and market integrity for energy markets. At the same time, transparency should be limited to fundamental data and not go beyond what is necessary to ensure that all market players are in a position to effectively compete on the wholesale markets. Functioning competition requires both a level playing field and the competitive market activity taking place on this level playing field. Whilst a level playing field can only be achieved if fundamental data are transparent, a competitive market activity necessarily requires strategic business decisions to remain secret amongst market players. For example, full transparency on commercial decisions taken (or to be taken) by the different market participants (e.g. concrete price offers for plants, price expectations) would reduce competition on the wholesale markets and go beyond what is needed for a level playing field.

E.ON believes that the guidelines on fundamental electricity data transparency will play a major role for the practical implementation of the Regulation of Energy Market Integrity and Transparency (REMIT). In particular, we consider that the definition of the inside information on electricity markets will essentially rely on the information that must be released according to the guidelines. Therefore clarity on definitions, obligations, responsibilities and roles is crucial to facilitate the application of the market integrity regime. These rules must be the same across Europe for all market participants above the defined thresholds.

## Responses to questions

### **Question 1: Do you have any major problems or policy issues related to transparency which go beyond ERGEG's advice and which you think should be addressed in the Commission's proposal?**

We believe that the guidelines are very important to address issues related to transparency of fundamental data to be made available to all market participants. The guidelines will play a major role in the framework of market integrity and transparency as it will be introduced by REMIT. In particular the definition of the inside information concerning electricity markets should essentially rely on the information that must be released according to the guidelines. It should be stated that fundamental data disclosure should primarily build on existing transparency platforms, where they are existing. An additional central access to platforms run by ENTSO-E is helpful. It is fundamental that a clear deadline is set for the complete implementation of the transparency requirements.

### **Question 2: Do you consider that definitions are complete and clear enough to avoid any potential problems when applied?**

No. We believe that the definitions provided by ERGEG in the final advice are quite general. In order to ensure a proper application of the rules, we believe that a thorough and detailed work on

definitions – as initiated by ENTSO-E – will be crucial to develop clear and complete definitions without scope for misunderstanding. For instance this is the case for the definition on Generation Units: ENTSO-E should detail what are the conditions to define a single Generation Unit and under which conditions more Generation Units can be aggregated to form a Production Unit. Another example is that it is stated that data should be provided on a unit-by-unit basis by the primary owners of the data, but it is not clearly stated that the information on unavailability shall be published on a unit-by-unit basis as well.

**Question 3: Points 4.1.3.7 and 4.1.3.8 of ERGEG's guideline require publishing ex-ante information on planned and ex-post information on the unplanned unavailability of consumption units including the name of the consumption units, location, bidding area, available capacity during the event, installed capacity, etc. Do you consider that publishing this information on a unit-by-unit base would be likely to create any competition concerns (e.g. because of the commercially sensitive nature of information on energy consumption of individual companies)? If yes, for which industries, in which Member States, etc.? How does this concern relate to the potential benefit this information yields to participants of traded electricity markets? Could this concern be remedied in a way which would nevertheless enable market participants to properly assess such an important change in a demand fundamental (e.g. by publishing data in aggregated form)?**

E.ON has no strong view on the possible competition concerns in other industries. We agree that the release of information of consumption units above a certain threshold of installed capacity is important to better understand impacts on market functioning. In our view consumption units higher than 100MW should be included in the Guidelines. In case the Commission does not want consumption data to be published per unit, the information could be aggregated per bidding area.

**Question 4: Points 4.3.2.4 and 4.3.2.5 of ERGEG's guideline require publishing ex-ante information on planned and ex-post information on the unplanned unavailability of generation units including the name of the generation units, location, bidding area, available capacity during the event, installed capacity, etc. Do you consider that publishing this information on a unit-by-unit base would be likely to create any competition concerns? If yes, how does this concern relate to the potential benefit this information yields to market participants? Could this concern be remedied in a way which would nevertheless enable market participants to properly assess such an important change in a supply fundamental (e.g. by publishing data in aggregated form, for instance per production type and balancing zone)?**

No, E.ON believes that publishing unavailabilities on a unit-by-unit basis will have more positive than negative impact on competition. One of the main findings of the Commissions energy sector inquiry has been the lack of availability of information on fundamentals to market participants on an equal basis. The initiative on fundamental transparency is aimed to close the gaps identified and to increase trust in market mechanisms.



**Question 5: Point 4.3.2.8 of ERGEG's guideline requires publishing actual unit-by-unit generation updated every hour. Do you consider that hourly publishing this information on a unit-by-unit base would be likely to create any competition concerns (e.g. by increased possibilities to monitor the behaviour of competitors, to enter into collusive strategies)? If yes, how does this concern relate to the potential benefit this information yields to market participants? How in your view could the concern be remedied (e.g. by publishing data in aggregated form, for instance per production type and balancing zone and/or by publishing with a longer delay than one hour)?**

In case the Commission does not want actual generation data to be published on a unit-by-unit basis, the information could be aggregated per production type and bidding area.

**Question 6: Do you see any other issues arising from ERGEG' proposal which may in your view give rise to competition concerns?**

Please see considerations in the introduction.