



PRESS RELEASE
06 November 2018

EFET, IFIEC Europe, MPP issue open letters on CWE flow-based transparency and the 20% min RAM rule

Over the last three years, market participants have been actively pushing for the implementation of transparency requirements on disclosure of price-sensitive data by TSOs, as laid down by CWE regulators in the common CWE flow-based Approval Package of March 2015.

Despite intense exchanges between market participants and TSOs, many of the transparency requirements in question have not been fulfilled.

CWE regulators expressed their frustration with this situation at multiple occasions. Unfortunately, these statements did not result in the necessary leaps on the TSO side: **CWE flow-based transparency remains well below market participant expectations and is still not compliant with the 2015 Approval Package.**

We welcomed the updated CWE flow-based Approval Package of August 2018, which reiterated the need for data transparency on the side of TSOs and detailed the list of transparency requirements TSOs had to comply with by 15 October. **However, to this date, we regret to see that six out of the seven transparency requirements requested by NRAs have not been implemented or fully implemented in time by TSOs.**

EFET, IFIEC Europe and MPP intend to continue working together with the TSOs and NRAs on transparency, hoping for a more constructive dialogue and significant leaps in TSO efforts to comply with regulatory standards. But at this stage we need more than hopes.

Our first open letter¹ therefore calls on CWE NRAs for immediate action to enforce their decision of August 2018.

On a parallel note, our three organisations would like to draw the CWE regulators' attention to the **recent suspensions of the 20% minimum RAM rule**, imposed on TSOs in May 2018. Due to the lack of precision of the rule, especially when and for which reasons it can be suspended, we have seen a significant increase in the number of days when the rule was suspended (five occurrences between mid-September and mid-October). In addition, the transparency elements provided by the TSOs on these suspensions are poor and sometimes confusing.

With this in mind, in our second open letter² we propose a number of recommendations to tighten the suspension rule and improve the transparency requirements around suspension cases.

EFET, IFIEC Europe and MPP strongly believe that **it is time to hold TSOs to the same standard as market participants when it comes to transparency.**

¹ You may find the first open letter following the link below:

https://www.efet.org/Files/Documents/Downloads/Market%20letter%20to%20NRAs%20CWE%20FBMC%20transparency_31102018.pdf

² You may find the second open letter following the link below:

https://www.efet.org/Files/Documents/Downloads/Market%20letter%20to%20NRAs%2020minRAM%20rule_31102018.pdf