
STATUTORY INSTRUMENTS

2015 No. 979

**The Electricity and Gas (Market Integrity and
Transparency) (Criminal Sanctions) Regulations 2015**

Offences of market manipulation in wholesale energy products

4.—(1) It is an offence for a person to enter into a transaction or issue an order to trade in relevant wholesale energy products where—

- (a) the person entered into the transaction or issued the order with the intention that the action would give false or misleading signals as to the supply of, or demand for, or price of relevant wholesale energy products, or
- (b) the person was reckless as to whether entering into the transaction or issuing the order would give such false or misleading signals,

as prohibited by Article 5 of REMIT when read with Article 2(2)(a)(i) or Article 2(2)(a)(iii).

(2) It is an offence for a person to enter into a transaction or issue an order to trade in relevant wholesale energy products where—

- (a) the person entered into the transaction or issued the order with the intention that the action would secure (by one person or a number of persons acting in collaboration) the price of relevant wholesale energy products at an artificial level, or
- (b) the person was reckless as to whether entering into the transaction or issuing the order would have that result,

as prohibited by Article 5 of REMIT when read with Article 2(2)(a)(ii).

(3) It is an offence for a person to disseminate information through the media (including the internet or by any other means) where—

- (a) the person disseminated the information with the intention that this would give false or misleading signals as to the supply of, demand for, or price of relevant wholesale energy products, or
- (b) the person was reckless as to whether disseminating the information would give such false or misleading signals,

as prohibited by Article 5 of REMIT when read with Article 2(2)(b).

(4) It is a defence for a person charged with an offence under paragraph (1), (2) or (3) to prove that—

- (a) the person did not expect any person to obtain a benefit from the activity, or
- (b) the person acted in the way that a reasonable market participant would have acted and conformed to accepted market practices.

(5) It is a defence for a person charged with an offence under paragraph (3)(b) to prove that the person disseminated the information for the purposes of journalism or artistic expression.

(6) The defence in paragraph (5) does not apply where it is proved that—

- (a) the person derived, directly or indirectly, an advantage or profits from the dissemination of the information; or

- (b) the person disseminated the information with the intention of misleading the market as to the supply of, demand for or price of wholesale energy products.

(7) A person does not commit an offence under this regulation unless at least one of the following conditions is met—

- (a) at the time of the offence, the person was in the United Kingdom;
- (b) at the time of the offence, the person was registered in accordance with Article 9 of REMIT with a national regulatory authority in the United Kingdom;
- (c) where the wholesale energy product is a contract, the electricity or gas represented by the wholesale energy product to which the offence relates is for delivery in the United Kingdom;
- (d) where the wholesale energy product is a derivative, the electricity or gas represented by the wholesale energy product to which the offence relates is produced in, is traded in or is for delivery in, the United Kingdom;
- (e) the wholesale energy product to which the offence relates is for the transport of electricity or gas in the United Kingdom;
- (f) in the case of an offence under paragraph (1) or (2), the transaction took place, or the order to trade was issued, in the United Kingdom;
- (g) in the case of an offence under paragraph (3), the information was disseminated in or into the United Kingdom.

(8) In this regulation, “relevant wholesale energy products” means wholesale energy products to which Article 5 of REMIT applies⁽¹⁾.

(1) See Article 1(2) of REMIT.