

Press Release

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Nord Pool Spot introduces new service to improve cross-border flows Jutland-Germany

(Lysaker, 1 July 2005) **In order to improve the integration between the Nordic and European power market, Nord Pool Spot will offer a new service which will enhance management of the daily cross-border capacities at the border between Jutland and Germany.**

The new service will be launched together with the launching of the "KONTEK" price quotation on 5 October 2005.

The spot prices in Western Denmark have lately been volatile due to high fluctuations in the German market and tight supply conditions in Western Denmark. The traders have therefore had high risks in determining the daily power flow direction. Occasionally, the traders have sent the power in the "false" direction, which contributes to create high spot prices in Denmark.

The main advantages of the new service are:

- Reduce trading risks
- Optimise cross-border capacity utilization
- Stabilize Danish power prices
- Increase the liquidity in the "KONTEK" bidding area

The transmission system operator (TSO) in Western Denmark and several traders have responded positively to this new initiative.

Peter Jørgensen, head of market division, Eltra: "The product is what we have waited for to improve the cross-border power flow at the border between Jutland and Germany and is in fact the closest we can get to real market coupling for the time being."

Leif Winum, director, Elsam Kraft: "We are pleased with this initiative from Nord Pool Spot. We will actively support it to help stabilising the power prices in Western Denmark."

For further information, please contact Nord Pool Spot:

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