

AGREEMENT

CONCERNING CROSS-BORDER TRANSACTIONS BETWEEN WESTERN DENMARK AND THE KONTEK BIDDING AREA

This Agreement (the "**Agreement**") is entered into between Nord Pool Spot AS ("**NPS**"), org. no. 984 058 098, and (the "**Participant**"), org. no..... .

1. INTRODUCTION AND DEFINITIONS

- 1.1** NPS has established a service to enhance management of the daily cross-border capacities at the border between Western Denmark and Germany. The service implies a trading system for sale and purchase of electricity for physical delivery between Western Denmark and the KONTEK Bidding Area ("Cross-Border Transactions"). The capacities subject to trading are made available to NPS by Participants operating in the daily auctions at the border between Western Denmark and Germany.
- 1.2** The purpose of this Agreement is to make the process of the Cross-Border Transactions more efficient, thereby to optimise cross-border capacity utilization, reduce trading risk, stabilize Danish power prices and increase the liquidity in the KONTEK Bidding Area.
- 1.3** For this purpose, NPS has established separate trading rules in this Agreement in order to balance trade and transmission capacity. These trading rules are required due to third-party control of the grids between the Markets.
- 1.4** By entering into this Agreement, the Participant will be entitled to execute Cross-Border Transactions through NPS' market place for physical power on the terms and conditions stated herein.
- 1.5** Terms defined in the Rulebook have the same meaning in this Agreement, and is given an initial capital letter. In addition the following definitions in this Agreement shall apply:
- (a) "**The KONTEK Bidding Area**" means the Vattenfall Europe Transmission control area in Germany.
 - (b) "**The Markets**" means the KONTEK Bidding Area and the elspot area Western Denmark.
 - (c) "**The Rulebook**" means the "Standard Terms for Trading and Clearing in Nord Pool Spot AS' Physical Markets" with enclosures.
 - (d) "**Capacity Report**" means a specified volume of transmission capacity between the Markets, made available to Cross-Border Transactions completed by NPS.

2. TRADING RULES

- 2.1** Capacity Reports shall be made on NPS' standard form and transmitted to NPS electronically as specified by NPS. The transmission of Capacity Reports shall be completed no later than 11:15 CET. The Capacity Report shall provide complete information in order to be valid. Invalid Capacity Reports will be rejected. In case of rejection, the trade report received by the Participant from NPS will declare that no contract is concluded. Capacity Reports are binding when they are received by NPS.
- 2.2** If the volume of electricity to be transferred between the Markets is less than the total volume of reported capacity, the volume to be transferred will be distributed to the participants on a pro-rata basis. This implies that the total volume to be transferred will be distributed to the Participants according to their relative part of the total volume of reported capacity. Reported capacity in the opposite direction of the net flow will not be assigned trade.
- 2.3** When the trading is concluded, NPS shall inform the Participant in a separate report, stating the assigned volume of electricity to be transferred. The trade report shall be transmitted electronically to the Participant before 13:30 CET. If transmission of the report is delayed, notice shall be given. The report will be binding upon the expiry of the notice period, as specified in paragraph 2.4.
- 2.4** If the Participant wishes to invoke errors made by NPS, NPS has to be notified before 14:00 CET. The Participant shall, if the trade error is verified by NPS, receive a new trade report before 14:15 CET. If transmission of the original trade report is delayed, the Participant is granted 30 minutes to submit a notice of error, calculated from the time the report was transmitted from NPS.
- 2.5** Monetary settlement for transactions completed under this Agreement, is to be made weekly between NPS, the Participant and the Clearing Customer in accordance with the procedures in the Rulebook
- 2.6** All prices are to be quoted, and all transactions are to be made, in Euro. The Participant bears the risk of changes in the exchange rates.
- 2.7** The Participant is responsible for obtaining physical balance between inbound and outbound electricity in each of the Markets, including the grid between the Markets. This includes entering into balancing agreements with the transmission system operators.
- 2.8** The Participant shall pay standard volume fee to NPS for traded volumes under this Agreement. The fee may be changed upon one month's written notice.

3. THE RULEBOOK

- 3.1** The Rulebook will complement the terms of this Agreement and apply to Cross-Border Transactions in all relevant matters not dealt with in this Agreement. This Agreement shall prevail in the event of conflicting terms.

4. SIGNATURES AND DATES

4.1 Attached to this agreement is a transcript from the Company Register of the Participant's Certificate of Registration, no older than two months. The Agreement shall be signed in accordance with the Certificate of Registration. NPS may require other documentation in the event that a Participant is not a registered company and thus not in a position to provide a Certificate of Registration.

Lysaker,(date)

.....,(place).....(date)

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Nord Pool Spot AS

Participant

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(Repeat with block letters)

(Repeat with block letters)

This Agreement is executed in two copies, one for each party.