

## DEFINITIONS

<p><b>All Or Nothing Bid</b> in Elbas means a Bid which upon matching must be matched for the whole volume specified.</p>
<p><b>Area Price</b> means the settlement price for the power traded in a specific bidding area through the Elspot day ahead market. Two or more bidding areas may have the same area price in a specific hour and thus forms a Price Area for this hour.</p>
<p><b>Balance Responsible Party</b> means a Participant that has entered into an agreement with a Transmission System Operator and that balances its electricity balance through the national regulation power market or open electricity delivery of balance power from the Transmission System Operator, or in the Elbas Market.</p>
<p><b>Banking Day</b> means a day in which the banks in Norway perform banking activities.</p>
<p><b>Bid</b> means an offer by a Participant to buy or sell one or several Instruments.</p>
<p><b>Bidding</b> means a Participant's specification of purchase and sale.</p>
<p><b>Bidding Area</b> means a sub area of the Electricity Exchange Area defined by the transmission system operators. The Electricity Exchange Area is divided into bidding areas in order to handle transmission constraints on certain connections in. Participants must make bids according to where their production or consumption is physically connected in the grid thus specifying the bidding area for each bid.</p>
<p><b>Block Bid</b> in Elspot means an all or nothing Bid that covers several consecutive hours defined by the Participant. The block must span a minimum of 3 consecutive hours.</p> <p><b>Block Bid</b> in Elbas means a bid with an all or nothing condition on the volume which may cover one or several consecutive hours. The start and stop time of a block bid may be defined by the Participant.</p>
<p><b>Buyer</b> means the Party agreeing to purchase electricity in a Transaction.</p>
<p><b>Cash Account</b> means Pledged Cash Account or Non-Pledged Cash Account.</p>
<p><b>Cash Settlement</b> means cash Settlement to be carried out between NPS and Participants and Clearing Customers.</p>
<p><b>Clearing</b> means a clearing-by-novation process where NPS enters into the Transaction as central counterparty and thus becomes counterparty to the Buyer and Seller.</p>
<p><b>Clearing Account</b> means an account that is opened in NPS where Transactions are registered.</p>
<p><b>Clearing Customer/Client</b> means a person or a legal entity who has signed a Clearing Customer Agreement as well as an agreement with a Trading and Clearing Representative in accordance with which the Trading and Clearing Representative shall perform Trading for the Clearing Customer's account and represent the Clearing Customer towards NPS.</p>
<p><b>Clearing Customer Agreement</b> means an agreement between NPS, a Participant and the Clearing Customer where the Clearing Customer appoints the Participant as its Trading and Clearing Representative.</p>
<p><b>Clearing Day</b> means a Banking Day on which a monetary settlement is carried out.</p>
<p><b>Clearing Regulations</b> means Appendix 3 to the Rulebook.</p>

<b>Collateral</b> means cash deposits to a Pledged Cash Account and On-Demand Guarantees.
<b>Collateral Calls</b> means NPS' calls for Collateral from Participants and Clearing Customers.
<b>Combination Bid</b> means a Bid relating to several individual Series.
<b>Contact Person</b> means a person who according to a power of attorney represents a Participant in Trading with NPS and NPF.
<b>Contract Party</b> means a Participant or Clearing Customer who has performed Trading and Clearing in the Markets.
<b>Contract Price</b> means the price agreed upon in a Transaction, which the Buyer is obligated to pay and the Seller is entitled to receive.
<b>Conversion Of Block Bids</b> means the conversion of a block bid into an hourly bid in Elspot – thus ignoring the all or nothing condition in the bid and handling each hour defined in the bid independently.
<b>Definitions</b> mean this appendix containing definitions of capitalized terms in the Rulebook.
<b>Delivery</b> Amount means the electricity amount to be delivered upon settlement of Transactions as further provided for in Appendix 3.
<b>Elbas Area</b> means those areas into which the Electricity Exchange Area is divided in order to remedy capacity constraints, if any, in the grid.
<b>Elbas Market</b> means the trading market operated by NPF for short-term day-ahead and intra day spot balancing electricity delivery in the prevailing Electricity Exchange Area defined for Elbas.
<b>Electricity Exchange Area</b> means the geographical Elspot or Elbas Areas in which NPS and NPF are entitled to organise physical Markets and through agreements with transmission system operators has been allocated transmission capacity in the planning phase in order to be entitled to transfer electricity between those Areas.
<b>Elspot Area</b> means those areas into which the Electricity Exchange Area is divided in order to remedy capacity constraints, if any, in the grid.
<b>Elspot Market</b> means the trading market operated by NPS for day-ahead electricity delivery in the prevailing Electricity Exchange Area defined for Elspot.
<b>Fill Bid</b> means a Bid in Elbas that may be matched for the full volume or part of the volume.
<b>Flexible Hourly Bid</b> means a sales block bid for one hour, the hour is not specified.
<b>Hourly Bid</b> means a bid in Elspot where a participant states volumes to buy or sell at different price levels in a set of price steps defined for a specific hour. Each pair of price and volume is handled as a point on a bid curve with linear interpolation between each pair.
<b>Instrument</b> means the product series where Transactions may be carried out in the Markets.
<b>Intraday Trading Limit</b> means a trading limit that may be set by Nord Pool for a Participant, based on the Account Balance and the Collateral posted.

<b>Market Council</b> means an independent advisory council to Nord Pool ASA, appointed under the articles of association of Nord Pool ASA.
<b>Market Maker</b> means a Participant that has entered into a Market Maker Agreement with a two-way quotation obligation in Elbas.
<b>Market Maker Agreement</b> means an agreement between NPF and a Participant committing the Participant to quoting of two-way Bids in Elbas.
<b>Market Surveillance Unit</b> means the common Market Surveillance Unit of NPS and Nord Pool ASA, acting as Market Surveillance Unit for the Markets.
<b>Markets</b> mean the markets for standardised short-term spot trading in electricity operated by NPS or NPF.
<b>Markets</b> or <b>Physical Markets</b> means the electricity trading markets that NPS or NPF at all times organises.
<b>Non-Pledged Account</b> means an account established by a Participant or a Clearing Customer in a Deposit Bank approved by NPS, which shall be applied in connection with Cash Settlements towards NPS.
<b>Nord Pool</b> means NPS and NPF.
<b>NPF</b> means Nord Pool Finland Oy.
<b>NPS</b> means Nord Pool Spot AS.
<b>On Demand Guarantee</b> means a guarantee in favour of NPS for a predetermined amount securing obligations of a Participant or a Clearing Customer towards NPS.
<b>Open Balance</b> means the net position in each Instrument Series registered in a Clearing Account, which can either be positive or negative. A positive value identifies a purchase position in that Instrument while a negative value identifies a sales position.
<b>Open Supplier</b> means a corporation that has entered into an agreement with a Participant or a Clearing Customer to cover the difference between the materialized consumption/sales and production/acquisition of the Participant or the Clearing Customer in the Balance Settlement.
<b>Order</b> means Bid in Elbas.
<b>Participant</b> means a person or legal entity who has signed the Participant Agreement. Clearing Customers are not comprised by the notion. Trading and Clearing Representatives are comprised.
<b>Participant Agreement</b> means the agreement entered into between a Participant and NPS or NPF regarding Trading and Clearing in Nord Pool's physical markets.
<b>Parties</b> mean NPS, NPF, the Participant or the Clearing Customer.
<b>Physical Markets</b> means NPS and NPF.
<b>Pledged Cash Account</b> means a pledged account established by a Participant or a Clearing Customer in a Deposit Bank approved by NPS and which shall be applied in connection with cash Settlements and cash collateral deposits towards NPS.
<b>Price Area</b> means the constellation of one or more bidding areas having a common area price for a specific hour.

<b>Product Group</b> means a group of persons elected by NPS from among the Participants of the Physical Markets that shall meet regularly to discuss and advice on issues relating to the development of the trade in the Markets.
<b>Rulebook</b> means the "Rulebook for Nord Pool's Physical Markets" consisting of General Rules, Appendices and Agreements.
<b>Seller</b> means the Party agreeing to sell electricity under a Transaction.
<b>Settlement</b> means the process which by trades in the Markets are handled through cash transactions.
<b>Settlement Bank</b> means a bank having entered into a Settlement Bank Agreement with NPS.
<b>Settlement Note</b> means a note from NPS to Participants and Clearing Customers specifying Transactions, Open Balance, settlement obligations and fees related to each Clearing Account.
<b>System Price</b> means the intersection of the aggregated supply and demand curves without considering capacity limitations between the Elspot Areas included in the System Price calculation at the relevant time. Biddings in other Bidding Areas can only influence the System Price up to the capacity limit towards Areas included in the System Price.
<b>Tick Size</b> means the tick size specified in the Elbas Regulations. The price of a Bid placed in the Trading System must be divisible by the Tick Size, for different Trading Currencies different Tick Sizes can apply.
<b>Trade Lot</b> means the trade lot of each Instrument as defined in the product specification. The volume of Bids placed in the Trading Systems must be divisible into whole Trade Lots.
<b>Trader</b> means a physical person authorised by a Participant to conduct Trading on behalf of the Participant.
<b>Trader</b> means the person appointed by a Participant to represent that Participant in respect of Trading and Clearing.
<b>Trading</b> means the process of entering into a Transaction in the Markets.
<b>Trading and Clearing Representative</b> means a Participant that has the right to trade for its own account and obligated to trade on behalf of its Clearing Customers.
<b>Trading Currency</b> means one or several currencies approved by NPS in which a Participant or a Clearing Customer wishes to carry out Bidding and Trading.
<b>Trading Day</b> means a day when NPS and/or NPF is open for Trading.
<b>Trading Fee</b> means the annual fee and the volume dependant fee charged for Trading in the Markets.
<b>Trading Party</b> means the holder of a Clearing Account in the name of whom the Transaction is entered into.
<b>Trading Price</b> means the delivery price that is agreed to in a Transaction.
<b>Trading Regulations</b> means Appendix 1 and 2 to the Rulebook.
<b>Transaction</b> means an agreement regarding purchase or sale.
<b>Transmission System Operator (TSO)</b> means an entity responsible for operating, ensuring the maintenance of and developing the transmission system.

**Value Added Tax** means any value added tax imposed, or any replacement or other tax levied by reference to value added to a Transaction.

**Violation Charge** means a fee that Nord Pool may charge Participants and Clearing Customers when in breach of the Market Conduct Rules.