

Facts about the Nordic power market

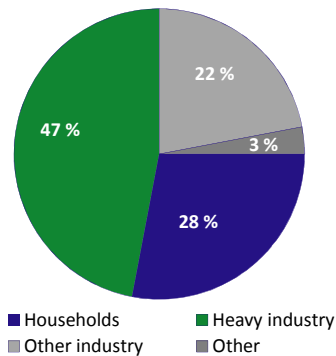
The power market

The Nordic power market is very well suited for financial trading.

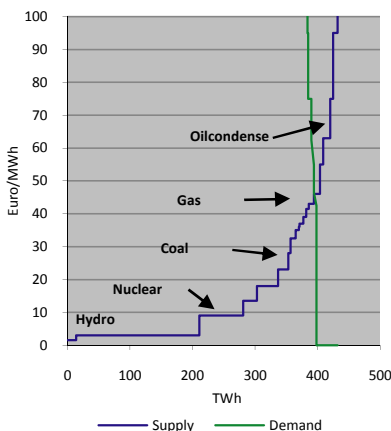
It is characterized by:

- A legislation that promotes competition. Norway liberalized their energy act in 1991 and Sweden and Finland did the same five years later. In Denmark the market was liberalized in 1999.
- Well functioning regulator functions and transparency.
- Underlying physical market with daily spotprice.
- Sufficient number of players to create real competition.
- Liquid power exchange and OTC market. The power exchange challenge competition from brokers and from members trading directly with each other.

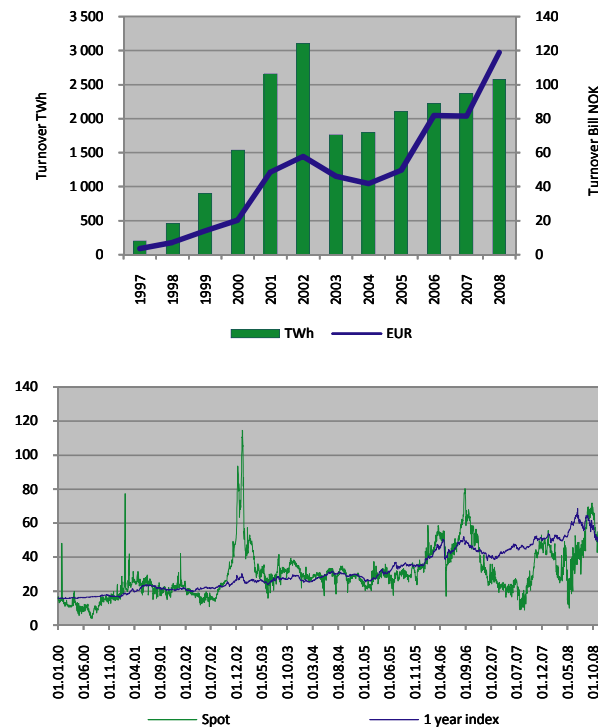
Power consumption in 2008



Marginal cost energy carriers



Turnover and price development



Key figures for 2008

Norway

Consumption: 128,9 TWh
 Production: 142,7 TWh
 Hydropower 98%, condensed power 1%, windpower 1%

Sweden

Consumption: 144,0 TWh
 Production: 146,0 TWh
 Hydropower 47%, nuclear power 42%, condensed power 10%, windpower 1%

Denmark

Consumption: 36,1 TWh
 Production: 34,6 TWh
 Condensed power 80%, windpower 20%

Finland

Consumption: 87,0 TWh
 Production: 74,1 TWh
 Hydropower 23%, nuclear power 30%, condensed power 47%

Import and export to/from Nord Pool area

Netherlands: Export 3,0 TWh
 Germany: Export 9,8 TWh
 Poland: Export 1,9 TWh
 Estonia: Import 2,3 TWh
 Russia: Import 10,9 TWh
 Total net export 1,5 TWh

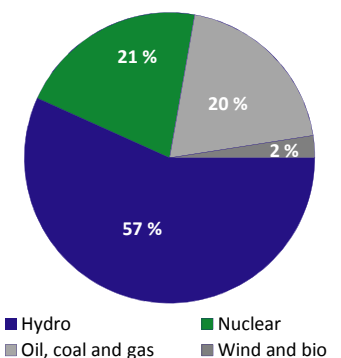
The power exchange Nord Pool

Nord Pool was established in 1996 as the first multinational power exchange in the world. The owners are Statnett and Affärsverket Svenska Kraftnät with 50 % each.

At Nord Pool there is a daily auction market where the participants can buy or sell physical power for delivery the next day. The equilibrium between bid and ask prices determines the spot price which also serves as the reference price for financial contracts.

In the financial market power can be traded up to six years ahead in time. All contracts are cleared by Nord Pool Clearing ASA. The contracts are nominated in Euro (€). The participants can trade electronically on the exchange or through a number of voicebrokers. 157 members from 22 countries participate in trading with power derivatives at Nord Pool. In 2008 the financial turnover was 2577 TWh, which corresponds to almost 119 bill Euro.

Power production in 2008



Interconnectors

